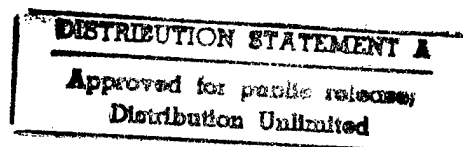


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# Southeast Asia Report



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NATIONALIST PARTY LEADER URGES INDIAN REPATRIATION

Suva THE FIJI TIMES in English 1 Jan 87 p 2

[Text]

Fijian Nationalist Party leader Mr Sakeasi Butadroka now advocates racial "thinning" as the solution to the problem of Indians in Fiji.

By this, Mr Butadroka means the gradual and measured repatriation of Indians from Fiji, to ensure they do not swamp the Fijians for whom his party stands, he says.

"Either they (Indians) stay here and we go down," says Mr Butadroka, "or they leave. There is no alternative.

"After 16 years, Fijians have lost out in the Civil Service, in employment, in education — what will happen to us in another 16 years?

"You can't compete with Asians. The trade and commerce — they have it (pointing to his veins) in here.

"Even though the Government has provided millions (of dollars) for Fijian education, we have got nowhere..

"I think the most Christian way (of ridding Fiji of the Indians) is the thinning system — that's what the African countries did."

/9317

CSO: 4200/325



BRIEFS

MOCHTAR TO VISIT IRAN--Foreign Minister Mokhtar Kusumaatmaja is scheduled to pay an official visit of 2 days to Tehran in the near future at the invitation of Foreign Minister of Iran, Dr Akbar Velayati. During his visit, the Indonesian foreign minister will discuss with his Iranian counterpart matters pertaining to the improvement of cooperation between the two countries in various fields, in particular economic cooperation and trade. The visit of Dr Mokhtar Kusumaatmaja will be the first one by an Indonesian foreign minister in the last 10 years. [Text] [Jakarta International Service in English 0800 GMT 6 Feb 87 BK] /9738

CSO: 4200/318

COMMENTARY ASSAILS U. S. FOR ANTI-SANDINISTA ATTACKS

Vientiane PASASON in Lao 11 Dec 86 p 4

[Commentary: "Evil Acts by the U. S. Against Nicaragua"]

[Text] Last Sunday four military airplanes from Honduras bombed Nicaragua and caused damage to life and property. This action occurred as Washington was making preparations to launch a war of aggression against Nicaragua, and as the U. S. mass media disclosed that many U. S. airplanes were participating in transporting Honduran troops to the Nicaraguan border.

As we already know, since the victory of the Nicaraguan revolution the American imperialists have never yielded in their efforts against the revolution of the Nicaraguan people as well as their efforts to revive their puppet regime in this country. The actions of the Washington power-holding circle are becoming increasingly serious and overt, starting with the undeclared war by the CIA to the handing out of many hundreds of millions of dollars to the Contras whose strongholds are in Honduras. It is clear that the U. S. weapons transport plane that was recently shot down in Nicaragua, the funds taken from secret arms sales to Iran and given to the Contras, and the stationing of approximately 5,000 U. S. soldiers in Honduras at the Nicaraguan border provides unarguable evidence of the actions by the Washington administration against Nicaragua.

Thus the cause for the tensions along the border between Nicaragua and Honduras is nothing but the anti-Nicaragua policy of the Washington administration. Once again the actions of the Washington power-holding circle demonstrate its true nature of aggression, thirst for war and terrorism against the nations that take the path of independence.

However, these actions do nothing to help give them a better stance. On the contrary, they reveal clearly the henchmen's faces, and are assailed by the peace and justice-loving peoples of the world, including the American people themselves who have condemned the administration. It will surely be defeated.

9884/9190

CSO: 4206/52

## COMMENTARY FLAILS U. S. FOR 'ANTI-LIBYAN TERRORISM'

Vientiane PASASON in Lao 13 Dec 86 p 4

[Commentary: "London-Washington-Tel Aviv Collaboration"]

[Text] Once again tensions in the Middle East have reached a critical point because of collaboration between London, Washington and Tel Aviv against Syria and the Arab nations in order to protect their so-called "life and death" interests in this region.

The anti-Libyan action in April was led by Washington. London, its loyal friend with the same warlord ideology, permitted U. S. warplanes to use its military base in order to bomb and murder the Libyan people. Now, however, London has taken the initiative by accusing Syria of having a part in the plot to bomb the Israeli passenger plane in London, exactly what they did to Libya. These two old and new colonialist allies, London and Washington, who have been helping each other all along have also received cooperation from the Israeli Zionists in carrying out the new way of conquering other nations in the world. These three nations not only collaborate with each other in propaganda to deceive and close the ears and eyes of the people of the world, but they also carry out the most overt operations. Along with the breaking off of relations between London and Syria, Washington also called back its diplomats. What is even worse is that London and Washington have worked together to prepare a British military base in Cyprus for the purpose of invading Syria. London has also persuaded the other European Common Market nations to join the movement against Syria, adding to their aggression and economic blockade and sanctions against Syria. Tel Aviv also believes in political aggression and terrorism, and by having supporters it has become even more ambitious and has acted as the henchmen for and protectors of the interests of Washington and London in this region. First of all, Tel Aviv hopes to wipe out the Syrian troops stationed in Libya, which would eliminate Syria's hope to regain the Golan Heights occupied by Israel in 1967. Because each of them has their own dark interests, London, Washington and Tel Aviv are continuing their slander against Syria and preparations to invade it.

The collaboration between London, Washington and Tel Aviv against Syria will not only fan the flames of war in this area, but will also increase

the presence of U. S. forces in this region and divert world opinion from the arms race and their political policies. However, their acts of "cry thief and arrest thief" cannot conceal the true nature of their warthirsty and terrorist intentions. It is clear that all of their bloody actions will be opposed, condemned, dismantled and defeated by the peoples of Syria, Europe and the world.

9884/9190

CSO: 4206/52

TRANSPORT OFFICIAL THANKS USSR, SRV, OTHERS FOR AID

Vientiane PASASON in Lao 22 Nov 86 pp 2, 3

[Article: "Communications, Transport, and Post Office Representative Comrade Phao Bounanaphon Expresses His Opinions at Fourth General Party Congress"]

[Excerpts] Dear Friends,

Our party has been leading our country to step up to socialism from a very backward economy since our country was completely liberated; on top of that, our country was badly destroyed for many decades by war. One of the most difficult problems has been in communications, transportation, and the post service because our country does not have access to the sea and we do not have railways. During the old regime, the country had around 11,500 km of roads but most of them were unpaved, narrow, and in bad shape, and we could use them only during the dry season. Most people used short-cut footpaths to contact each other in mountainous and remote areas. There were few means of transport; in some localities, primitive means of transportation were used without maintenance and in some, no means of transportation existed and people transported things on their backs or shoulders. Communications did not get through or were delayed. Many areas were closed off by natural conditions, which was a major obstacle to economic, cultural, and social expansion.

Over the past decade, the communications and transportation section, particularly at the Third General Party Congress, has concentrated on struggling to perform its duty and has accomplished these initial achievements:

We have repaved 600 km of national roads and 2,400 Km of local roads. We have raised the surfaces of Routes 6 and 7 and concentrated on constructing Routes 9 and 8 in completing our Second 5-year Plan. Over more than 10 years, we have built 1,520 Km of new roads, an increase of 14.3 percent. Sixty-six percent more roads are paved than in 1978, and 377 bridges have been built, including 12 concrete bridges on Routes 9 and 13. Special bridges such as the 246-meter long Nam Seuane Bridge and the 362-meter long Nam Kading Bridge have been built with aid from the USSR.

The post office system has been improved. The number of post offices has increased by 1.6 percent, and there are 63 more telegraph stations now than in 1976. International communications and postal services have been expanded. There are long-distance telephone connections to 54 countries and telex connections with 45 countries, direct outgoing and incoming mail with 19 countries, and indirect mail with 14 countries.

The supply and technical foundations for communications, transport, and postal services have been built. Large-capacity repair garages for trucks and machinery have been built in cities and some localities. Ground satellite communications have been built. A concrete production plant has been built to service bridge and road construction. To expand water transportation, we have built 6 steel and 15 wooden cargo ships with a capacity of 100 to 200 tons and which carry 100 to 300 passengers.

We have been able to increase shipping capacity from 350 tons in 1975 to 1,774 tons in 1985. Ninety percent of the private transport companies service collective businesses. We estimate that private land and water transportation represents 35 percent of the entire country's total means of transportation.

This year many sections of our Communications, Transport, and Post Office Department such as international transport companies, the post office and telegraph, and international long-distance and domestic telephone sections are operating under the new economic system.

The tremendous and valuable aid in materials, techniques, and labor and the experience of Vietnam, the Soviet Union, and other socialist countries have been major factors. Over the past 20 years, Vietnam has helped build 400 km of new roads and repaired more than 700 km of old roads, surveyed 400 km of roads, and repaired more than 1,500 km of medium-size and large bridges. Vietnam has sent nearly 500,000 tons of aid in goods and materials, 6 steel ships, and 15 wooden ships.

The Soviet Union has undertaken major projects, including four 900 meter-long bridges. These include the Nam Kading Bridge and the Nam Ngum Bridge, which will be the largest bridge in the country and which the old regime was unable to build. One large-repair garage has been built. A ground satellite communications station has been built and the Soviet Union has also assisted in building up international transport groups, assembling the means of transportation for five construction groups, and studying the plan for the communications system for the entire country. Design plans have been drafted of permanent petroleum pipelines. These projects will serve to expand the economy and improve society and the living standards of the people when they are completed. On Route 9 200 km are currently being constructed.

We are also receiving aid from Bulgaria, Hungary, Czechoslovakia, and other countries in the road and bridge construction projects.

Aid from the Soviet Union, Vietnam, and other socialist countries is in the form of grants and many types of long-term loans. Certain projects, for

example, those for Routes 6, 7, and 42 and certain portions of Route 9, are being constructed by Vietnam. Certain projects are cooperative ones, with funding from both Laos and Vietnam. Laos provides the vehicles, machinery, materials, and petroleum; Vietnam contributes labor, salaries, and technical expertise in building Route 8. Another project, the construction of Route 9, is being funded by three parties, with Laos contributing the capital, machinery, and technical materials; the Soviet Union, the advisers; and Vietnam, the contracted labor. Good cooperation among the three parties in carrying out the construction of Route 9 has given the project more momentum, and Lao cadres are learning additional technological and organizational skills.

Even though the communications, transport, and postal tasks have taken new steps, we still have a lot of weaknesses and unsolved problems that we must solve:

We have to educate ourselves about ideology and party policies. We do not yet understand the importance of communications, transport, and postal services.

The rural communications system in mountainous and remote areas has been taken lightly. We have not exhausted all our existing potential to build and expand our routes; we depend solely on funding from the central budget. The directives that the state and people work together and that the central government and local governments work together have not yet been implemented well. We have not combined modern technology with machinery and manpower and animal power. We have not turned to our natural resources and our labor to build and repair roads. We have not utilized the potential of our Lam Se River for transportation. We should encourage the use of private transportation as much as possible. Consequently, communications and transportation have not responded adequately to our needs.

The changeover of the communications, transport, and postal function to the new economic system is still delayed. Receiving, managing, and using international aid are not good enough. Some aid is not appropriate for the abilities and actual situation in Laos. We tend to favor large-scale, modern, and luxurious things and we tend to be wasteful by not exhausting all the qualities of the machinery that we receive as aid.

2597/7051  
CSO: 4206/29

AMOUNTS OF SRV AID, SECTORS DISCUSSED

Vientiane PASASON in Lao 12 Nov 86 p 5

[Article: "Lao-Vietnamese Friendship and Cooperation"]

[Excerpt] The ties of friendship between Laos and Vietnam have become a special form of solidarity.

After Laos became the LPDR, the Lao people began to rebuild their nation. The LPRP adopted the foreign policy line of taking unlimited assistance and cooperation from fraternal socialist countries. Primarily this meant increasing solidarity in struggle, and a special relationship with and general cooperation between Laos and Vietnam and among Laos, Vietnam and Kampuchea.

Together with this close cooperation in foreign policy, both parties and governments supported each other in national defense and in opposing every invasion by the enemy in order to preserve the fruits of the revolution in each country. At the same time the SRV provided a great deal of economic assistance to the LPDR, which amounted to 1,334 million dong or about \$133.5 million, during this period from 1975 to 1985 in order to build more than 200 projects in Laos. Of this assistance more than half was free.

The mutual economic assistance and cooperation between the two countries, which includes almost every branch of the economy and the society (education, public health, transportation, agriculture, industry, trade...) and generally consisted of medium-size and small construction projects (bridges, many road projects along Highways 7, 8, and 9, brick factories, clinker-crushing factories, gypsum mines..), was combined with cooperation in every area between the comrade provinces, and this has been important and very effective in defending and building the nation of the Lao people.

8149/7051

CSO: 4206/35



SEKONG PROVINCE ECONOMIC DEVELOPMENT PLANS, SRV AID

Vientiane PASASON in Lao 11 Nov 86 p 3

[Article: "Sekong Province"]

[Excerpt] Sekong is one of the provinces in the south of our country. It borders Saravane Province, Champassak Province, Attapeu Province, and the SRV. It covers 7,665 square km and includes three districts: Lamam District, Kaleum District, and Dakcheung District. It has a population of 50,000.

In the past Sekong Province has been able to achieve adequate progress in many areas. In agriculture it has mobilized the people for cooperative, socialist production and for stable production in those areas where the cultivated land has been expanded from 500 hectares to 1,000 hectares through clearing, where there is sufficient water for wet field rice during two seasons, where they could raise rice production to 2.6 tons per hectare, and especially where one could not cultivate wet field rice and then dry field rice on a permanent basis or dry field rice on a rotating basis. The drive to make a living cooperatively in a system of cooperatives in Sekong Province has increased the number of agricultural cooperatives and trading cooperatives from 120 to 150 units. Sekong Province is also striving to expand the area of coffee cultivation from 768 hectares to 1,500 hectares so that by the end of 1990 it will be able to collect 700 tons. Buffalo and cattle increased. Better methods of raising cattle and buffalo were introduced, and as a result the province was able to assure the food supply for the whole population; the buffalo and cattle are used as draft animals and for transportation because Sekong Province is a new province and transportation is difficult--therefore using these animals as draft animals and for transportation instead of vehicles, machinery, and threshers is important.

Sekong Province's industry is light industry;; handicrafts and forestry. It is a newly created province carved out of Saravane Province. Starting in 1985, this province of mountains and deep forests has received assistance from the central authority, and the comrade province of Quang Nam-Danang has started to survey the forests. In Lamam District there are such valuable type of wood as teak, ebony, hardwood, and other kinds covering 221 hectares. There are 18,700 hectares of pine forest in Dakcheung District and Kaleum District. In 1985, although Sekong Province lacked forestry materials and

cadres, nevertheless it was able to exploit 2,000 cubic meters of timber for sale abroad and exploit 1,200 cubic meters in constructing an economic base. This created some income and was a test of the province's cadres in this activity. With regard to building the economy of the province, forestry was a strong point and provided exports. In order to preserve the forests, which are a priceless national treasure, the party committee and administrative committee of the province have a policy and detailed standards directing the people to avoid slash-and-burn practices on their own; they are to practice dry field rice cultivation on a fixed basis or if possible to reduce this practice. The people were mobilized to plant trees to make up for the past, and vacant land was planted. This was sufficient to expand the forest area greatly so that it could be left as an inheritance for the people's children and grandchildren to use as capital in building the economy of their province and country. In addition the party committee and administration of Sekong Province strove to improve the existing industrial base and build more, such as saw mills, rice mills, repair units, and an industry for processing agricultural products in the three districts with cooperation and assistance from the central authority and the comrade province of Quang Nam-Danang.

As these other activities progressed, transportation and trade received attention; the province invested in repairs, thus improving the road surfaces and assuring that travel and the distribution of goods would be convenient. For example, roads were extended to Thateng, Senamnoi, and Dakcheung and, within the province, to the municipal area so that travel was more convenient than in the past. This was an assurance of the distribution of trade and an investment in expanding the trade network of the state, for example, bringing goods from the central authority to the countryside and trade cooperatives on a broad basis. Improving existing trade cooperatives made trade a bond between the central authority and the countryside. The central authority brought utensil and industrial and agricultural tools to the production grass roots directly and sold them or bartered them for various forest products which the central authority exported.

In addition they steadily broadened their trade ties with neighboring provinces and with their comrade province; they bartered exports with Quang Nam-danang.

8419/7051

CSO: 4206/35

VIENTIANE TRADE, EXPORTS TO INDOCHINA REPORTED

Vientiane VIENTIANE MAI in Lao 5 Nov 86 p 2

["The Fourth Party Congress" Column: "Vientiane Trade for a 6-Month Period"]

[Text] Trade is one aspect of Vientiane Capital's work that has been outstanding. Over the past 10 years it has been improved and extensively broadened, and the total for the retail value of goods in 1985 increased by over a factor of five when compared with the figure for 1980.

Another new factor is the bilateral agreement with the production bases and the mobilization to get the merchants to put their shares in the import and export monopoly, and to take an important part in creating orderly markets and prices. Throughout Vientiane Capital there is now a total of 35 state stores, an increase of 10 over the number in 1985. In the past 6 months alone the rice purchases and the exchange by the collective store unit was completed by 60.23 percent. When compared with the year plan the average earnings from trade and state trade in the first 6 months was implemented by 45.7 and 14.3 percent of the [foreign] currency, and is 41.3 percent of the obligation for the year plan.

Besides foreign trade with a number of capitalist countries, there is also trade cooperation with fraternal socialist nations which has become ever steadier. This is particularly true for trade involving Vientiane Capital, Hanoi, Phnom Penh and Ho Chi Minh City, which has been improving and expanding.

The average of our exports to socialist countries is over \$ 200,000, and only half of that amount goes to capitalist countries.

9884/12913

CSO: 4206/42

VIENTIANE OFFICIAL ADDRESSES CHINESE ALIENS

Vientiane VIENTIANE MAI in Lao 5 Nov 86 pp 1, 4

[Report on the Chanthaboury District Party Committee secretary, Speech to Chinese Resident Aliens]

[Text] On the afternoon of 2 November Mr Thongmi Phomvisai, secretary of the Chanthaboury District Party Committee for Vientiane Capital, addressed over 200 Chinese resident aliens.

The district party secretary used this occasion to point out the friendship of the Lao people with other nations in the world and also with the resident aliens in Vientiane Capital. He also asked everyone to increase their fidelity and solidarity with the Lao people in Vientiane Capital and to resolve to take a strong part in national defense and construction, to carefully carry out health work in keeping the district clean, and the help to make Vientiane Capital clean and beautiful. Also, everyone should take part in improving and strengthening the administrative committee and various organizations of the dictatorship of the proletariat.

At the end Mr Thongmi Phomvisai also asked all the aliens to emulate each other to score achievements for the coming LPDR Fourth Party Congress so it will have great significance.

9884/12913

CSO: 4206/42

FRENCH AMBASSADOR VISITS BOOK DISPLAY

Vientiane PASASON in Lao 9 Dec 86 p 1

[Article: "French Books on Science and Technology Are Exhibited"]

[Text] An exhibition of French science and technology books has been officially opened in the Exhibition Hall of the Ministry of Culture in Vientiane Capital with the cooperation of the LPDR Ministry of Culture.

All of the 650 books on display are good for science and technology studies for strengthening the national development and construction of Laos.

In the opening speech Mr Marc Menguy, the French ambassador extraordinary and plenipotentiary to Laos, said that the science and technology book display is a sign of French-Lao cooperation in the development of a key area and also in science and technology. He emphasized that Lao-French relations today are based on mutual respect.

Later Mr Souli Nanthavong, chairman of the Lao State Scientific Council, cut the ribbon to officially open the book display in front of the assistant chairman of the State Committee, vice ministers, many high-level cadres from many ministries, members of the diplomatic corps, and representatives of other international organizations in Laos.

9884/7051

CSO: 4206/51

MPR AID PROJECTS DESCRIBED

Vientiane PASASON in Lao 9 Dec 86 p 3

[Article: "Laos-Mongolia Relations" (on the 7th anniversary of the signing of the Lao-Mongolian Treaty on 8 December 1979-8 December 1986)]

[Excerpts] The party, the government and the people of Mongolia have increased their solidarity, friendship and assistance to Laos, and following the signing of the cooperation agreement the Laos-MPR [Mongolian People's Republic] relationship has become ever stronger.

The MPR has fulfilled its assistance to Laos in two ways, by grants and by loans. The government of the MPR has helped Laos in the construction of a sheep breeding station in Kangsi, Xieng Khouang Province, where there are 200 ewes. They successfully built a 60-bed hospital in 1984 valued at 11,698,017 Togrik (Mongolian currency), which was included in the grant. The MPR also assisted and worked with Laos in scientific technology, exchanging goods, etc.

The MPR and LPDR have also exchanged delegations on various levels for the purpose of visiting and learning from each other's experience on a regular basis. All these aspects demonstrate the expansion of the relations and the cooperation between the two countries.

Comrade (Dechik), the leader of the delegation for the Mongolian People's Revolutionary Party, said that "the fruitful relationship and the cooperation between the Mongolian People's Revolutionary Party and the MPR and the LDRP and the LPDR have been successfully promoted politically, economically and culturally, as well as in all branches of science as based on the contents of the Friendship and Cooperation Agreement that was signed by our two nations in 1979."

9884/7051

CSO: 4206/51

## SAVANNAKHET INTERPROVINCIAL, FOREIGN TRADE FIGURES NOTED

Vientiane PASASON in Lao 12 Dec 86 p 2

[Article by Insi Souphab: "Trade Achievements in Savannakhet Province Over 2 Years"]

[Text] The last period of the implementation of the First 5-year plan is the period in which trade in Savannakhet Province succeeded with glorious victory and is continuing to expand. For example, state and collective trade networks have been widely expanded down to the production bases. They were able to expand by an additional 20 state stores and 162 collective state co-op stores. In 1986 throughout the province there were 78 state stores and 230 collective trade co-ops. Over the past two years we were able to distribute assorted goods to the grassroots valued at 2 billion 437 million and 670 thousand kip, or 65.22 percent of the plan. Also, in order to make the trade over the past 2-year period effective in purchasing products from the people, to expand the circulation of goods and currency, and meet the standard of living of the multi-ethnic people throughout the province better and better, the [trade networks] purchased assorted meat from the people valued at over 47 million kip, over 829,000 tons of forest and ricefield products totalling over 135 million kip, and they purchased and exchanged rice totalling 24,373 tons.

Along with trade within the province, in the period of over 2 years Savannakhet was also involved in interprovincial and foreign trade, such as Vientiane Capital and Khammouan, Saravane and Champassak Provinces, and it exported over 11 million kip of goods.

The trade networks in Savannakhet Province have trade relations and cooperation with the twin province Binh Tri Thien and with Ho Chi Minh City of the SRV. In the same period of over 2 years exports and imports with Vietnam were over 355,700,000 kip, of which 140,429,000 kip was the value for exports.

Savannakhet Province's trade achievement in this period shows the outstanding creativity of the party committee of Savannakhet Province from the second congress to the third congress of the provincial party committee under the leadership of the capable and brilliant LPRP along the path for the nation's advance to socialism.

9884/9190

CSO: 4206/52

'TALK' HIGHLIGHTS THAI EXPORT OF PROSTITUTES

Vientiane PASASON in Lao 1 Nov 86 p 5

["Talk" Column, "Thailand's 'Flesh Trade'"]

[Excerpts] The Thai Government is in need of money to pay off its debt and to buy weapons, but at the same time Thai exports are in trouble because its ally, the United States, has exploited Thailand and brought it near to bankruptcy. The minister responsible for Thailand's trade announced that [his ministry] would take every opportunity to earn money for Thailand, whether or not it would have any effect on its good relations with neighboring nations. For example, he would permit Thai merchants to obtain teak wood from the traitorous Karen hill tribes in resistance against the Burmese Government at a low price so they would be able to resell them at a higher price. Taking advantage is not the only thing the Thai Government is very good at. It probably also engages in smuggling many goods from its neighbors and is forever smuggling its worthless goods out to other countries. One of the illegal methods for scooping off foreign currency could be the "flesh trade" in Thai women.

According to a recent disclosure in the Thai weekly magazine MATICHON, the best market is Japan. They send women to be sold to shopowners for 60,000-70,000 baht cash each. There are now approximately 2,000 Thai women in Japan for this purpose, along with at least 2,000 Thai women in Hong Kong and Kowloon. In Singapore and Brunei there are all sorts of Thai women who have been exported there as part of the "flesh trade" for acting, singing, as students, fashion models or massage girls who earn approximately 80,000-150,000 [baht] because most of their customers are wealthy. The Thai women who are sent to Taiwan via agents and who work in restaurants or beauty salons to conceal their prostitute trade use it to earn approximately 5,000 to 8,000 baht per month. In the Middle East the Thai women who were part of the "flesh trade" went there as artistic performers. They sell their flesh because they can get a lot of money, especially in Iraq, where they earn approximately 20,000-30,000 baht per month apiece.

9884/12913

CSO: 4206/45



KAYSONE DISCUSSES CONGRESS RESULTS WITH BULGARIAN PAPER

Vientiane PASASON in Lao 9 Dec 86 pp 1, 2

[Interview with Comrade Kaysone Phomvihan, secretary general of the LRPR Central Executive Committee and chairman of the Council of Ministers of the LPDR, by Comrade (Ngenso Votsabakov), assistant editor of RABOTNICHESKO DELO, voice of the Communist Party Central Committee of Bulgaria, on 29 November 1986]

[Text] [Question] Please assess the significance of the Fourth Party Congress of the LPRP that has just ended. Over the past 10 years the LPDR has achieved many great socioeconomic successes, and you have pointed out many times that the production force is still weak, new production relations have not yet been improved, and in general the cultural level of the people is still low. What do you think are the reasons for the success?

In your speech closing the Fourth Party Congress you said that the success of Laos has established a new position in the revolution and has international significance. Please give us more details regarding this observation.

Please tell us about the goals set in the Second 5-Year Plan of the government (1986-90). What is expected to be accomplished between now and the year 2000?

According to the ideology of V.I. Lenin, "peace and socialism are inseparable." Please tell us what the impact of this ideology is on the foreign policy of the Lao party and government.

Please give us your assessment of Lao-Bulgarian cooperation at the present and for the future.

[Answer] Our Fourth Party Congress studied all aspects of the revolution from the establishment of the LPDR up to now, and concluded that we had many solid achievements in protecting the new regime and in constructing socialism. However, we also honestly pointed out those weaknesses and shortcomings that must be improved in the future.

The brilliant leadership of the party, and primarily the correct policy of the party, has been implemented through proper domestic and foreign policies, and the appropriate tactics and measures are the reasons for our great victories which are the fruits of revolutionary fervor and the brave struggle, diligent work, and creativity of the entire party and all the Lao people. Our victories cannot be separated from the tremendous international support and assistance which fraternal socialist nations provided first of all."

The lessons that our party has learned from the construction of the new regime over the past 10 years are the factors responsible for the victories now and in the future.

By an objective assessment of the true situation in the nation and a scientific analysis of the international situation along with selective use of the lessons from fraternal parties, this congress has expanded and set in detail one more step in our nation's revolutionary policy. The congress also set up a policy and a primary socioeconomic duty throughout the period of transformation and for future years. We may say that the policy and the goals we have set demonstrate a firm combination of scientific and revolutionary characteristics, ideology and truth. They also demonstrate the party's ideology and determination and the wishes of our people. The congress was a great political event for our country. The correct plenums of the congress will guide and promote all the movements of the entire parties and people for the future. Our past victories and achievements will determine our new revolutionary position. The LPDR has been firmly set as a socialist outpost in Southeast Asia, and is working with and cooperating with fraternal nations to stop the reactionaries from expanding into this region. Our victories also help to improve and increase the strength of the three fraternal nations in Indochina and the international socialist fraternity throughout the world, as well as motivating slowly developing nations to move up along the path of socialism.

The goal of our party and government's policies is to create international conditions making it possible for us to carry out national defense, socialist construction, and our international obligations. The congress also confirmed once again our consistent foreign policies on peace, friendship, independence and socialism. Our party will resolutely do its best to improve and enhance militant solidarity and to engage in extensive all-around cooperation with Vietnam, Cambodia, the USSR and other fraternal socialist nations. Our party will take a resolute part in increasing the unity of the Communist movement and international workers according to Marxism-Leninism and proletarian internationalism. We will do our best to take part in the joint struggle of the peoples of other nations against the arms race and nuclear war, and for peace, international security and friendship among the peoples of the world.

Lao and Bulgarian friendship and solidarity have been going on for a long time. During the national liberation in our struggle against the imperialist aggressors and also now in building our national defense and constructing socialism, the Lao people have always received excellent support and assistance from the party, the government and the people of Bulgaria. I am very

happy to see that there are many ways to increase and strengthen the cooperation between our two countries based on the Lao-Bulgarian Friendship and Cooperation Agreement of 1979.

I wish to express my solidarity and esteem for the fraternal Bulgarian people through RABOTNICHESKO DELO and wish them great success in their implementation of the plenums of the 15th Congress of the Communist Party of Bulgaria.

Kaysone Phomvihan

9884/7051

CSO: 4206/51

THONGVIN PHOUMVIHAN REPORTS TO CONGRESS ON YOUTH ISSUES

Vientiane PASASON in Lao 25 Nov 86 pp 2, 3

[Article: "Comrade Thongvinh Phoumviarn, LPRYU Representative, Expresses Her Opinions at the Fourth General party Congress"]

[Excerpts] On the national defense task, more and more young people are volunteering to meet their obligations on national defense and national security. In many provinces, more young men than projected are joining the military service. Many provinces have reached their quotas, with Savannakhet and Vientiane Municipality the most outstanding ones.

In particular, the armed forces and the young hill tribe men of Sayabouri unanimously defeated the schemes of Thai rightist reactionaries whose sent many battalions to invade the three villages of Ban Mai, Ban Kang, and Ban Savang in Pak Lay District. Meanwhile, the hill tribe people and young people of Vientiane Municipality, Vientiane Province, Louang Pragang, and other work sections of the central government have bravely supported the young people of Sayabouri. Thousands of young people have volunteered and are prepared to go to the front to fight the enemy when the country asks them and needs them.

The LPRYU has been leading the way in dangerous combat areas in clearing 3,000 km of new roads and repairing old roads, building dozens of bridges, and expanding the communications network in the rural areas. Its most outstanding performances have been in Savannakhet, Phongsaly, Xien Khouang, Saravane, Champassak, and Sayabouri provinces; the LPRYU has built 650 km of roads by itself.

The LPRYU has also been active abroad in implementing the party's foreign policies. It has increased its solidarity and cooperation in every area with the Ho Chi Minh Communist Youth League and the Kampuchea Revolutionary Youth League. The LPRYU has also increased its solidarity with the USSR's Lenin Komsomol and with all its allies through youth leagues around the world. This movement has contributed to the struggle to protect peace and international security against the American imperialists' arms race effort and threats of nuclear war. This has enhanced the LPRYU's status in the international arena.

However, along with that quality and performance, we also have unsolved problems in many areas. Many problems should be addressed, namely:

Even though the LPRYU's local and grass roots level organizations have been improved, their quality is still low, and they are not yet broad-based or complete. LPRYU movements have been irregular, especially in mountainous and remote areas. The development and training of LRPYU cadres have not been timely or appropriate for the national political situation. Training is not objective or appropriate for the social classes that cadres come from. Education and training guidance for the LPRYU have not been attended to properly to bring them up to their potential.

The LRPYU's revolutionary awareness has not been emphasized highly, although it has been able to see all the enemy's cruel and clever schemes. These include psychological, economic, and social warfare by poisoning young people's minds, with the hope that they will forget revolutionary ideology and their honorable and majestic duty.

12597/7051

CSO: 4206/29

VIENTIANE CAPITAL INDUSTRIAL, SERVICES OUTPUT, KIP STABILITY

Vientiane VIENTIANE MAI in Lao 1 Nov 86 p 2

["The Fourth Party Congress" Column: "Industrial and Handicrafts Circles in Vientiane Capital" (excerpt from the political report of the first party congress in Vientiane; date and place not given)]

[Excerpts] Throughout the 10-year period handicrafts have been revived and promoted extensively, for example, collective and family handicrafts, and they have been able to produce many kinds of items to meet domestic needs and to serve as export goods, such as the Phon Tong embroidery co-op which is a well-run modern co-op. Its production involves over 700 families which has been good for the 1985 family economic construction, with the total handicraft production being increased over 13 times compared with the figure for 1980.

Industry has been expanded to serve agricultural production and the standard of living of the people. Throughout Vientiane Capital there are now 18 industrial bases which are in normal and efficient operation. These enterprises are turning to the new mechanism with economic accountability and socialist business. The agricultural tool production factory has been outstanding. We have also put shares together with four private factories to construct a light industrial base to produce items [for daily use] and for export. This is for gradual economic self-reliance in the future. Industrial production for 1984 increased 56.8 percent as compared with the figure for 1976.

Although the distribution and circulation of goods is difficult and confusing work, Vientiane Capital has turned over a new leaf and made progress in many areas. We have expanded the state trade network and trade co-ops down to the grassroots. We now have 35 state stores and 151 trade co-ops, and their beginning bilateral relations with the production bases are a new factor. We mobilized and propagandized the merchants to put their shares with the government and to share benefits with the government in the export-import [trade] monopoly. This is important in creating orderly markets and prices and allowing the government to steadily increase the goods.

We have built up sources of income in the localities until they have become able to balance the local budgets on their own and to carry out their obligations to the center in excess of the expected figures.

We can carry out the new salary system fairly well, and have begun to implement it at the same time as the center.

We have expanded the military bank network to all the districts. We are expanding credit co-ops, and bank service is growing fairly well. The savings deposits of the people and government employees are progressing well. All these factors have allowed the money to circulate faster than previously.

An important new factor in protecting the value of the kip is that we have been carrying out trade with nine provinces within the country and Hanoi Capital and Ho Chi Minh City. This creates new [jobs] and strengthens domestic and foreign trade.

9884/12913

CSO: 4206/42

# VIENTIANE PROVINCE DEVELOPMENT, SECURITY DESCRIBED

## Co-ops, Productivity

Vientiane PASASON in Lao 1 Nov 86 pp 3, 4

[Article: "Basic Economic Achievements for Vientiane Province"]

[Excerpts] Vientiane consists of nine districts, Phon Hong, Keo Oudom, Thoulakhom, Vang Vieng, Feung, Kasi, Sanakham, Hom and Saisomboun. In 1985 throughout Vientiane there was a total of 36,970 hectares, an increase by over 3,000 hectares from the total for 1976. People engaged in intensive agriculture on 3,300 hectares. There were 197 small and mid-size irrigation systems, water pumping stations and reservoirs which were able to pump water for 10,350 hectares of rice fields. The wet rice production capacity was increased from 1.3 tons per hectare in 1976 to 2.6 tons per hectare. The highland cultivation area in 1985 decreased by 4,864 hectares as compared with the total for 1983. The total rice production increased from 46,000 tons in 1976 to 121,000 tons in 1985, with the average for paddy rice being 459 kg per capita. All this demonstrates the province's efforts to become self-sufficient, from where it had to depend on additional rice from the center. We can now say that not only is Vientiane self-sufficient in terms of rice, but it is also able to carry out its obligation to the center.

There has been fairly good progress in the conversion to agricultural co-ops. There are now 200 co-op units consisting of 25 percent of all the farmer families and 21 percent of the total agricultural production labor.

## Vang Pao Owes 'Blood Debt' in District

Vientiane PASASON in Lao 1 Nov 86 p 4

[Article: "Heroic Hom District Is Making Progress"]

[Excerpts] Hom District in Vientiane Province is well known because of its being honored as a heroic district. Over the past 10 years Hom District has changed its outlook and is making steady progress under the revolutionary flag and the leadership of the LPDR.

Previously Hom District was an area that the enemies focussed on dismantling. The patriotic Hom people lived in hardship and were under the forces of the



imperialist's henchmen, especially the Vang Pao bandits who owe an uncountable and unforgettable debt that the people in Hom District still remember. There was the time in 1964 when they captured Mr (Gney Hey), Mr (Grey Chasang) and Vilo, tortured them to get secret information, and then killed them savagely. They also committed hundreds of thousands of inhumane and savage crimes against the people.

National defense and security. The defense network in each locality and in each village has been improved. Many of the youth are guerrillas and take part in the ranks of the military forces in order to defend their land and to ensure the peace and security of the people so they can be free to work for a living and to prosper, and to strengthen Hom District by raising the people's standard of living.

#### U.S. Blamed for Insecurity

Vientiane PASASON in Lao 1 Nov 86 p 4

[Article: "The Entire People Carry Out Their National Defense and Security Work"]

[Text] After the national liberation, the multiethnic people in Vientiane Province have no greater wish than to live in peace and work to build their civilization. However, the imperialists and the reactionaries led by the American imperialists have not stopped dismantling by sending in the reactionary exiles to create unrest, to attack and propagandize, to cause disunity in the military forces, to break down the solidarity between the races in Laos, Vietnam and Cambodia, and to basically create unrest in the population bases in the different areas. However, because we firmly believe in the two strategic duties of the party and have a firm understanding of the true and stubborn nature and of the clever and destructive schemes of the enemies, the entire party, the armies and the people of Vientiane Province have never left off improving and increasing their national defense and security work by acting together with the regional forces and the guerrilla militia. The people have also become a driving force in attacking and defeating the enemies step by step. Now 90 percent of the districts and villages in the province are at peace.

The military forces and the defense and security forces from the provincial level on down to the grassroots level have been set up and improved in terms of both quality and quantity. More and more youth have voluntarily carried out their obligation in national defense and security work. The regional forces have increased 51 percent and the mobile guerrilla units have increased 20 percent as compared with the figures for 1981.

9884/12913

CSO: 4206/45

KHAMMOUAN LOCAL PARTY CHIEF CITES PROBLEMS

Vientiane PASASON in Lao 26 Nov 86 pp 2, 4

[Article: "Comrade Somchai, Party Chief of Song Mouang Canton, Nong Bok District, Khammouan Province, Expresses His Opinions at Fourth General Party Congress"]

[Excerpts] Our Song Mouang Canton is located along the Mekong River, with a 3-8 km long area abutting Thailand. It is a plain with a total of 1,000 ha of rice fields. It has 7 villages, 530 households, and a population of 2,820, of which 930 are cooperative members.

Since our country was completely liberated, our people have been earning their living happily, but exiled Lao reactionaries have been regularly sent from Thailand to disturb the peace and cause turmoil.

In 1976-1978, a provincial task force encouraged the people to found a party chapter; consequently, Song Mouang Canton has a party chapter and a movement to change farming to agricultural coops has developed.

The party chapter was founded in 1978. We were inexperienced in leadership in the beginning, for example, in leading agricultural cooperatives, which was a brand-new problem. But all of us competed for assistance from the higher level, especially from the provincial administration, which has accommodated us all along.

We have acted in accordance with the guidance of the party, the administrative powers, and the mass organizations in developing a collective economy and in changing to agricultural cooperatives as the core for promoting movements in every area to achieve improved living standards, security, and other objectives.

We have concentrated on training outstanding and enthusiastic party cadres with outstanding work performance in order to support these various movements. One hundred and eight cadres from cantons and villages have been trained, and the party now has enough trained cadres. Our party membership now has increased from 6 to 32 comrades, from 1 party chapter to the current 4, and there are chapters at the grass roots so that movements in every area

are progressing, primarily the formation of cooperatives and collective agriculture, to date, 1,008 people in the canton have joined agricultural cooperatives. Production has been expanded and living standards improved. Exploitation of the people has been basically eliminated. Six out of seven coops have been carrying out production by contract for 3 years. Every agricultural coop member received 450 kg of rice in 1985 compared to 90 Kg in 1978. Members of other coops are also receiving larger rice rations.

The average individual income in coops in this canton is 61,500 kip, with a growth rate of 11 percent.

The national defense and security development tasks are very important to us in protecting and defending our homes and ourselves. Four hundred young men have been encouraged to join the service.

Nevertheless, we still have weaknesses and unsolved problems. We have not concentrated on diversifying the coops. The direction for expanding coops by relying on local strength is not yet clear. We have not concentrated on collective agriculture to increase productivity. Even though the coops have been growing, there have not been that many firm improvements.

12597/7051

CSO: 4206/29

PHONG SALY SECURITY, ARMED FORCES WORK NOTED

Vientiane PASASON in Lao 12 Nov 86 p 3

[Article: "Phong Saly, the Brave"]

[Excerpt] Phong Saly Province is a mixed area of mountains and forests. The Ou River flows through it. It has abundant and valuable natural resources. It has a total of 16,270 square km and a population of 122,000. It is made up of six districts: Phong Saly District, Bounsai District, Gnot Ou District, Samphan District, Khoua District, and Mai District. Phong Saly Province borders Louang Prabang Province, Oudomsai Province, the SRV, and the People's Republic of China. Back in the time of the fierce face-to-face struggle with the enemy, the multi-ethnic people of this province were for the most part dedicated to the struggle against the foreign imperialists, namely the French and American imperialists. Phong Saly Province was one of two provinces which united to become the stronghold of the Lao revolution. For the past 10 years Phong Saly Province has been a sturdy fortress for the country. The multi-ethnic people, cadres, combatants, state employees, and workers have joined in firm solidarity to oppose and crush every scheme of the enemy; they have especially resisted the enemy's psychological warfare and defeated it in a timely fashion. This was possible because the people of Phong Saly understood clearly the policies of the party and made a clear distinction between their friends and their enemies. In addition they have steadily improved and strengthened their province.

In the past 10 years Phong Saly Province has striven to defend the nation and the peace as its primary activity. The para-military forces and public security forces were constantly on the alert and have defeated every evil scheme of the enemy; they have steadily improved and expanded their forces so that they are steadily getting stronger.

8149/7051

CSO: 4206/35

VICE MINISTER WARNS ENTERPRISES TO BOOST PRODUCTIVITY

Vientiane KHAOSAN PATHET LAO in Lao 8 Nov 86 pp A 3, 4

[Article: "Ministry of Industry and Handicrafts Holds Ceremony to Transfer Business Ownership to Two Factories"]

[Text] On the afternoon of 7 November the Ministry of Industry and Handicrafts held a ceremony to transfer business ownership to collective workers in two factories, the Zinc, Mosquito repellent and Sponge Production Factory and the Electric Wire and Plastic Bag Factory, and announced the turning of the main grassroots economic units to do business according to the new mechanism.

The Ministry of Industry and Handicrafts handed over the right to run a business to the zinc and electric wire factories. This was the second time, the right to do business having been granted previously to three companies, the Tobacco Company, the Beer and Soft Drink Company and the Lao State Electrification Enterprise, which have been in operation since early October.

In the ceremony Mr Nousai Sithisai, vice minister of industry and handicrafts, pointed out the significance of turning the main economic units to business. From the day the memorandum is signed, the Ministry of Industry and Handicrafts hands over the right of ownership to the two enterprises mentioned according to the new economic mechanism. Also, in this memorandum the ministry provides the revolving capital, machinery, vehicles, equipment, factories and the workers to engage in production.

Mr Nousai emphasized the fact that in 1986 the Zinc and Electric Wire Enterprises had to meet and exceed the expected production and had to guarantee high quality and productivity. In the future these two enterprises must disburse salaries based on productivity, and also look out for technicians with good workmanship so they can be assigned to suitable jobs. They must in addition organize production units properly, set up appropriate and effective management mechanisms, decrease indirect producers, eliminate unnecessary [middlemen], inform production chiefs concerning waste in materials and equipment, etc.

The vice ministers from the sections concerned, the boards of directors and the assistant directors, and the workers from the two factories were present at the ceremony.

COLUMN CITES UPCOMING CONSTRUCTION REGULATION, LAWS

Vientiane VIENTIANE MAI in Lao 10 Nov 86 pp 2, 4

["Conversation with Readers' Friends" Column: "Will Women Be Accepted As Obligatory Soldiers?"]

[Excerpts] [Question] 1. How long will it take our nation to officially promulgate laws? 2. A monument is a place that is visited by our people and foreign guests. Is it appropriate to sell soft drinks and beer along the side of the road where there are visitors? 3. Do they only take men for [compulsory] military service? How about women? Do they take any women? Vientiane, 3 November 1986. [Signed] Oulavan Sengmani.

[Answer] 1. It may not take very long for the laws to be promulgated because the compilation section has been working feverishly so it can submit them to the higher echelons for their unanimous approval and they can be applied justly nationwide. I cannot give you the exact date because it depends on the situation. 2. I have never visited any monuments and therefore I do not know which one you are referring to. Could it be around Lan Sang? If it is Lan Sang Road beverages can be sold there because there is a place to provide such a service for the visitors who are thirsty or who want to sit and rest. This makes it more convenient because we sell only beverages. We do not set up a restaurant. 3. Military service is not limited to only men or women, because any young man or woman 15 years and older can carry out their obligation. (For details please wait for the law which is expected to officially be announced shortly). Thank you.

9884/12913

CSO: 4206/42

VIENTIANE CORPORATION DOLLAR EARNINGS REPORTED

Vientiane VIENTIANE MAI in Lao 7 Nov 86 pp 1, 4

[Article: "The International Construction and Mail Handling Company in Vientiane Capital Opens a Short-Term Campaign"]

[Text] On the afternoon of 5 November the International Construction and Mail Handling Company under the Communications, Transportation, Post and Basic Construction [section] in Vientiane Capital organized a short-term 2-month campaign for November and December to complete the 1986 plan with achievements for the Fourth Party Congress.

At the opening ceremony of the campaign, Comrade Chanthavong Malaiphet, director of the International Construction and Mail Handling Company, summarized the outcome of the campaign over the [last] two periods, from January to June and from July to September, in which the company was able to earn over \$ 142,000. In the first period they handed in over \$ 6,000 as their obligation to the government and an additional amount of over \$ 5,000 will be handed over to the government in the second period.

In the November-December campaign the company will put all its ability and its sweat and energy into completing the construction on the foreign projects. It expects to earn 27 million kip [or] nearly \$ 100,000 in currency. For this they plan to export 800 tons of coffee, of which 400 tons has been exported already. In the campaign the company also established ways to steadily raise the standard of living of the workers and ways for the company to earn more by accelerating the improvement of the government employees' stores and restaurants and the construction supply and spare parts stores. In the meantime they will improve the dictatorship of the proletariat in order to upgrade the political ideology of the workers and cadres throughout the company so they will be able to fight against the enemies' schemes in a timely fashion.

9884/12913  
CSO: 4206/42

ARMY GENERAL CALLS FOR BETTER FINANCE, QUARTERMASTER WORK

Vientiane PASASON in Lao 17 Dec 86 pp 1, 3

[Article: "The 1986 Conference of Army Quartermaster Work and Finance Is Closed:

[Text] On 13 December the Army Quartermaster Department closed a 9-day annual meeting on 1986 quartermaster work and finance.

The participants in the closing ceremony were Major General Osakan Thammatheva, party central committee member, vice minister of national defense and also chief of the Army Politburo, Brigadier General Bounheng Bansalit, assistant chief of the Army Quartermaster Department, representatives of the Planning and Finance Department and the Consumer Department, and the cadres concerned.

The meeting summarized the strengths and weaknesses of the past work performance and studied documents on finance, management and [welfare] so they can apply correctly to their department what they had learned.

On this occasion Major General Osakan Thammatheva praised the success of the meeting, and suggested that the attendees disseminate and apply the contents of the meeting to their units, especially the guidance and command cadres who have to be responsible for organizing and mobilizing the finance and quartermaster work for the units concerned so that it will be taken up by the whole unit as a serious responsibility.

Major General Osakan also emphasized that the guiding and command cadres as well as the finance and consumer section cadres must make joint use of their creativity in using the salary system and the materials provided by the higher echelons to guarantee improved welfare for the army by encouraging the family economy and production throughout the unit. At the same time the department budget must be spent effectively on the army's [welfare]. At the end he expressed his belief that the people acting as representatives at this meeting will together apply the substance and success of the meeting in organizing and developing their own units, thus making it fruitful.

9884/9190

CSO: 4206/52



## BRIEFS

'TOTAL' SECURITY IN VIENTIANE DISTRICT--A news source in Saisettha District, Vientiane Capital, told VIENTIANE MAI that in order to take part in heightening efficiency and complete security in national defense and security within Vientiane Capital, 115 cadres including 19 women who are members of three mass organizations in the district organized themselves to guard various public places with a high sense of responsibility in order to maintain peace and order in their district and to guarantee security for the party and government organizations, to follow up and stop the enemies' activities, and to look for and eliminate the factors that create unrest in a timely manner. This is to take part in scoring 100 percent achievement for the coming Fourth Party Congress. [Text] [Vientiane VIENTIANE MAI in Lao 7 Nov 86 p 1] 9884/12913

VIENTIANE DISTRICT BANK ACTIVITY--Since early January the cadres within the bank in Nasaithong District, Vientiane Capital, have mobilized the people and cadres in the work sections within the district to deposit a total of over 17 million kip of their savings and the savings lottery, to accept money from business, and to collect interest and income earned from various fees totaling 1,952,460 kip. They collected over 47 million kip of revolving capital from enterprises and agricultural co-ops, and set up a credit agricultural co-op which is now operating on a regular basis. [Excerpts] Vientiane VIENTIANE MAI in Lao 3 Nov 86 pp 1, 4] 9884/12913

VIENTIANE DISTRICT TRADE--Since early January 1986 the cadres and workers in the Nasaithong District Trade Company in Vientiane Capital have been able to distribute 21,001,738 kip of goods to serve the public. They also purchased handicraft materials and different forest and ricefield products from the people valued at a total of 36,993,614 kip. [Excerpts] [Vientiane VIENTIANE MAI in Lao 1 Nov 86 p 1] 9884/12913

HO CHI MINH CITY, CHAMPASSAK TRADE UNIT--At the end of October Champassak Province opened a Champassak-Ho Chi Minh friendship store in the middle of Pakse City. The opening of this store was part of the plan for cooperation between the trade corporation of Champassak Province and the trade corporation of the comrade city, Ho Chi Minh City, in the SRV. The goods brought in for distribution in this store included many kinds of household articles and necessities produced in Champassak Province as well as in the factories of the LPDR and in Ho Chi Minh City. This aroused broad interest among the masses. [Text] [Vientiane PASASON in Lao 12 Nov 86 p 1] 8149/7051

NATIONWIDE BANK DEPOSIT TOTALS--With respect to currency, various provincial and district administrative committees have worked with the local banks in their areas to open a campaign for depositing savings in order to participate in saving capital to help the government. This is one way to help to provide cash for the banks to protect and stabilize the value of the kip, and to use the savings deposits to boost production and the circulation of goods so that the economy will expand and the standard of living for multiethnic people will be increasingly improve. Since 1986 the people, cadres, government employees, workers, soldiers and police have emulated each other in depositing 80 million kip of their savings in the district and provincial banks in their own areas. This figure exceeds the figure for 1985 by 26 percent. Champassak Province is outstanding, with the people having deposited 32 million kip. There are over 17 million kip in deposits for Vientiane Capital and 10 million kip for Savannakhet Province. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 7 Nov 86 pp A 9, 10] 9884/12913

PHONG SALY YIELDS, FOOD SUPPLY--The 1986 rice yield for farmers in Phong Saly is higher than before. A 1982 yield of 1.8 tons per ha has been increased to the current 2.5 tons per ha. The yield from highland rice farming has increased from 1.1 tons per ha to 1.2 tons per ha. The area in rice fields for the entire province has increased by 1.06 percent, while the highland rice field area has decreased by 1.14 percent. In past years, this province was self-sufficient in terms of food. Basically, each person receives an average of 320 kg of rice paddy per year, excluding other starchy food. Its hill tribes have been able to change isolated production into collective production. Agricultural coops have been formed in the area, and solidarity labor exchange units among the settled peoples have been thoroughly improved. [Excerpts] [Vientiane PASASON in Lao 25 Nov 86 pp 2, 3] 12597/7051

LUANG PRABANG PARTY MEMBERSHIP--The Luang Prabang provincial party committee has added 191 new members in a period over a year in order to raise the number of [guidance cadres] to 2,344 comrades for the production bases. [Excerpts] [Vientiane PASASON in Lao 16 Dec 86 p 2] 9884/9190

SAYABOURY ARMY UNIT, ENEMY SUBVERSION--Demi-Battalion B in Sayaboury has been in existence for 10 years and has passed the test in the war for national defense and socialist construction and in maintaining peace and happiness in their area of responsibility, including helping the people to feel free to make a living and to take part in socialist construction within their own locality. In particular, in 1976 Demi-Battalion B opened an 81-day training course beginning with a review of the documents, regulations, discipline and glorious heritage of the LPA. They also studied Plenum 04 of the National Defense and Security Committee and several other documents. They studied as well techniques for using each type of military weapon and [military personnel subjects] up to the company level, the importance and duties of combat cadres in quartermaster work, techniques for saving patients on the battlefield, etc. Along with their study, the military officers also received training in military strategy and tactics and in target practice with real bullets, which resulted in 87 percent of the expectation, including 25 percent at the very good level. Their training in military tactics and military personnel up to company level was also at the good and very good levels. The training session went over many problems, such as the enemies' distorted propaganda for creating unrest in many forms, bad weather, and inadequate food supplies. However, the military officers showed absolutely no signs of discouragement. They all resolved to struggle through the problems with strong determination and this made the training session a satisfactory success. [Excerpts] [Vientiane PASASON in Lao 16 Dec 86 p 2] 9884/9190

ATTOPEU TRADE FIGURES--In the first 6 months of 1986 the trade corporation of Attapeu Province brought various kinds of goods such as provisions and manufactured goods for sale to serve the cadres, combatants, state employees, and the multi-ethnic people and workers throughout Attapeu Province in order to improve steadily their living standards. These goods had a total value of more than 139 million kip. Compared with the plan for all of 1986, this amounted to 73 percent of the plan. Comrade Banthavi of the committee for the trade corporation of Attapeu Province said that in the first 6 months of 1986 this corporation had carefully set up a system which requisitioned forest products from the people valued at more than 5 million kip. In carrying out the policy line of adopting the new socialist economic administration, the trade corporation of Attapeu Province had a detailed plan of operation from top to bottom in order to fulfill its duties with regard to the responsibilities of the Lao people and steadily to get away from centralized, subsidized trade. [Excerpt] [Vientiane PASASON in Lao 12 Nov 86 pp 5, 6] 8149/7051

KHAMMOUAN BANK DEPOSITS--Since the beginning of this year the cadres, government employees, workers and people in the Khammouan Province municipality have emulated each other in depositing over 369,900 kip of their savings in the district and provincial branches of the state bank. Outstanding contributors include the Vietnamese Residents Association with 63,000 kip, the Provincial Bank with over 27,000 kip, the Machinery Factory with over 13,000 kip, etc. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 8 Nov 86 p A 6] 9886/12913

PAKSE BANK DEPOSITS--The savings deposits in Pakse District, Champassak Province, have been improved, and they have received wide attention from the masses. In the 11-month period this year the masses in six cantons in Pakse District deposited over 8 million kip of their savings and purchased over 187,000 kip of the savings lottery. [Excerpt] [Vientiane PASASON in Lao 17 Dec 86 p 1] 9884/9190

CSO: 4206/52

NEW SABAH LEADER PROFILED

Kuala Lumpur NEW STRAITS TIMES in English 31 Dec 86 pp 1, 2

[Article by Eddy Hiew and Farush Khan]

[Text]

**KOTA KINABALU, Tues. —**  
**Former Chief Minister Tan**  
**Sri Haji Mohamad Said Ker-**  
**uak will be appointed the new**  
**Yang di-Pertua Negeri**  
**tomorrow.**

He will receive his letter of appointment from the Yang di-Pertuan Agong at Istana Negara in Kuala Lumpur tomorrow morning and will be sworn in at the Istana here on New Year's Day.

A statement from the Chief Minister's Department also announced that Tan Sri Said, 60, left for Kuala Lumpur this afternoon.

He was accompanied by Deputy Chief Minister Datuk Mark Koding and Deputy State Secretary Datuk Khalil Datu Haji Jamal.

Tan Sri Said succeeds Tun Haji Mohamed Adnan Robert, whose resignation effective on Thursday was announced by the Chief Minister's Department yesterday.

Tun Adnan and his wife, Toh Puan Hajah Mariam, will be given a ceremonial send-off tomorrow morning. A State banquet will also be held in his honour at the Istana in the evening.

In an interview in Kuala Lumpur today, Tan Sri Said said he was grateful to the Yang di-Pertuan Agong and the Government for the confidence given to him to head the State.

"I will do my best to carry out the responsibility entrusted me," he said in his hotel room.

Tan Sri Sald spoke modestly of his past achievements and activities, both in the civil service and in politics. He also spoke of the significance of the month of November in his life.

"Many things in my life happened in or around November," he said.

He was born in November, joined the civil service in November and was appointed Sabah Chief Minister in November. And his appointment as Sabah's seventh Head of State is not far from it.

Born in Kota Belud on Nov. 15, 1926, this former Usno president joined the civil service in 1941 as a clerk in Papar.

"I was the secretary of the Kota Belud District Council when I decided to go into politics," he said.

Two years after joining Usno in 1961 and nine days after Sabah attained independence, Tan Sri Sald was made a member of the Sabah State Assembly.

Under the Usno Government, he served as Sabah Minister of Agriculture and Fisheries from May 1967 to October 1975. During the period, he acted as Chief Minister on many occasions when Tun Mustapha Datu

Harun left for overseas visits.

On Nov. 1, 1975, Tan Sri Sald was confirmed Chief Minister and took over Usno's leadership when Tun Mustapha decided to retire from politics.

He held the post until April 1976 when Usno was defeated by Berjaya in the State election.

He continued, however, as State Assemblyman for Usukan until 1982 before retiring from politics.

"Though I could have remained as the Assemblyman for the constituency, I decided to give a younger person the opportunity to serve there," he said.

Following the victory of Parti Bersatu Sabah (PBS) in the April 1985 State election, Tan Sri Sald was coaxed out of retirement to help Muslim voters join PBS to face Usno's challenge in last May's State election.

Tan Sri Sald has been described in State political circles as a moderate man who never used the opportunity to attack his opponents, even during his political heyday.

/9317

CSO: 4200/326

## ARMY SETS UP INTELLIGENCE UNIT

Kuala Lumpur NEW STRAITS TIMES in English 2 Jan 87 p 4

[Text]

THE Malaysian Army has established a special intelligence regiment aimed at complementing the various combat units of the Army in gathering intelligence for successful operations.

The nucleus for the new regiment — the Special Combat Intelligence Regiment (Regimen Khas Perisikan Tempoh) — based at Batu Gajah in Perak, came from the Special Combat Intelligence Unit.

The original Special Combat Intelligence Unit was formed in 1972 at the height of military operations against the remnants of the Malayan Communist Party (MCP) and its break-away factions lurking in the dense jungles of the Malaysia-Thai border.

The Chief of Army, Jeneral Datuk Seri Hashim bin Mohamed Ali, said that the contributions of this unit was of such great value in ensuring the success of the many operations against the communists that it was decided to expand and establish a full regiment for gathering combat intelligence.

Jen Datuk Seri Hashim visited the new regiment's headquarters in Batu Gajah on Monday to see for himself the gruelling training its members were being put through.

Impressed with the progress the officers and men were making, the Army chief announced

that the standard set by the regiment was such that only the cream of army personnel from the various corps would be recruited.

"They will bring with them their experience and expertise from their fields. They will come from various units in the army — like the engineers, signals, infantry, armour and artillery," Jen Datuk Seri Hashim said.

"I have also asked the regiment to get into its ranks some Iban trackers.

"The idea is to have a well-rounded intelligence regiment that can operate entirely on its own under any circumstance," he added.

However, the current economic situation in the country has prevented the Army from going ahead and implementing the Armed Forces Council decision to set up a full intelligence regiment.

What now exists at Batu Gajah is a squadron but plans are on the drawing board for it to be expanded into a full regiment — finance-willing.

Jen Datuk Seri Hashim was accompanied on his visit by the Armed Forces Deputy Chief of Intelligence, Brig-Jen Raja Rashid bin Raja Badlozaman, the commander of 2nd Infantry Brigade, Brig-Jen Kassim Ismail and Kol Maulud bin Maamin of the Defence Ministry.

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CSO: 4200/326

PAPUA NEW GUINEA

DEPUTY PREMIER COMMENTS ON BILATERAL TIES

BK061356 Melbourne Overseas Service in English 0830 GMT 6 Feb 87

[Text] Papua New Guinea's Deputy Prime Minister, Sir Julius Chan, has called for a formal defense and economic treaty with Australia. Sir Julius also told the National Press Club in Canberra that his government would be ready to consider signing a fishing agreement with the Soviet Union if an offer was made. Radio Australia's diplomatic affairs correspondent, Graeme Dobell, reports:

[Begin recording] Sir Julius said Papua New Guinea was surprised by what he called Australia's brutal cut in aid last year. He said the cut of \$10 million [Australian dollars] in aid at the start of a 5-year aid agreement showed the need to establish new directions in the relationship. All too often, he said, Papua New Guinea was portrayed in Australia's media as a Third World nightmare with a built-in lack of political stability.

Sir Julius said there was a need for a formal treaty with Australia covering social, economic, and defense considerations. He repeated his idea for a regional peacekeeping force, and Sri Julius said Papua New Guinea would consider a fishing deal with the Soviet Union although it was up to Moscow to make a formal offer. [end recording]

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CSO: 4200/324

## BELGIAN ENVOY CITES INCREASED EUROPEAN TRADE POSSIBILITIES

Quezon City BUSINESS DAY in English 20 Jan 87 p 2

[Text]

Europe will not be able to better the trade and investments records in the Philippines of the United States and Japan this year, Belgian ambassador Alain Rens said.

The most that Europe can do is "increase" her present share in trade with the country but the continent "will not be in a position to challenge especially Japan" in that aspect, he said.

Belgium in particular is a good market for Philippine handicrafts, "which are very successful in Europe," and furniture, Rens said. Prospects for Philippine-made jewelry and rattan furniture from Cebu are "very bright," he added.

Philippine industrial goods that "might" have a market in Europe include textiles, Rens said.

**GREAT POTENTIALS.** Fisheries has "great potential" and is one of the areas seen as very attractive to European investors.

Rens said there are possibilities of going into barter or countertrade with Europe. With Belgium being very experienced in countertrade, he said that before the end of this year, he is confident a sharing of ideas on the subject can be made.

The European Economic Community has 12 member-countries. It counts a total of 320 million consumers, a big market that can be penetrated by the Philippines considering it has no qualitative restrictions on imports and tariff rates on imported products average only 5%, Rens said.

**RISK.** As an investment area, Europe still considers the Philippines a "risk." The majority of countries in that continent prefer to wait for the political situation to stabilize. And this can be

brought about by the coming plebiscite and later, the elections. Then, Europeans can think of investing, Rens said. However, in the "foreseeable future, we contemplate (investment) possibilities particularly in the areas of agriculture and mineral resources," he said.

Within the EEC, only West Germany and the United Kingdom have so far taken a more aggressive stance, investment-wise, Rens said, while the others are "still observing the situation."

A seeming deterrent to European investors is the 40% limit on the amount of capital a foreigner may hold in a business enterprise, he said, in contrast to Singapore's allowing 100% foreign ownership of a business concern. However, Rens indicated that Europeans perhaps have come to accept the limitation as the draft Constitution has repeated the limitation found in the 1973 Charter.

**THIRD BEST.** On the possibility of the country receiving more aid from Europe, Rens said although recent moves have been "encouraging," he did not think that the continent will be "willing to match what you're receiving now from the US." He opined that after the US and Japan as aid donors, Europe can become only the "third best."

The Belgian ambassador cautioned the country against taking any unilateral steps toward settlement of its \$26.4-billion international debt. "Any move has to be discussed with the creditors," Rens asserted. "In Europe, we've always been very flexible to all your requests. (To take unilateral steps) would have tremendous effects in financial and political circles."

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CSO: 4200/321



## FOREIGN INTERESTS BUYING INTO BENGUET EXPLORATION

Quezon City BUSINESS DAY in English 26 Jan 87 p 8

[Text]

Last Wednesday, a special block sale involving 25 million shares of Benguet Exploration took place at the Manila Stock Exchange.

The P15-million transaction occurred at the time when rumors of a buy-in by foreign companies into the small but profitable mining concern was rife at the exchange.

*Business Day* sources have confirmed that Michael Adams, chairman of the board of Benguet Exploration and a major stockholder of the company, sold his shareholdings last Wednesday through the brokerage firm S. J. Roxas & Co., Inc.

The buyers of the 25 million shares at P0.60 per share, said sources, was an American firm. The sale constituted only 10% of the Benguet Exploration "B" shares of the company and 4.3% of the total authorized

stock.

Stock market sources are not ruling out further sales as negotiations are expected to continue in the coming weeks.

The company's annual report puts its latest authorized capital stock at 580 million shares with a par value of P0.10 each. There are 348 million Class "A" shares and 232 million Class "B" shares.

As of Jan. 15, 1986, other stockholders of the company were Anscor-Hagedorn Securities which held 22.6% of the mining firm, followed by Manila Remnant Co. with 7.8%, Sterling Life Assurance Corp. with 5.3%, Potenciano Ilusorio with 5.2%, Pilipinas Development and Finance Corp. with 5.2% and Karl Landahl with 4.2%.

Sources said that there were in fact two foreign companies interested in acquiring equity into the company.

The other firm, said market sources, was Bond Corporation Holdings of Australia.

Bond earlier tried to acquire the San Miguel brewery in Hong Kong but the deal was nixed. This was followed by an offer to buy the debts and infuse equity into Atlas Mining Corp., a debt-ridden mining firm.

With the inability of Atlas Mining creditors to come up with a unanimous consent to sell their debts to Bond, however, the deal fell flat.

Sources said that Bond has now transferred its interest to Benguet Exploration, a small but profitable firm, which made P342,000 in net income last year. In 1984, it made 7.55 million in net income.

Company officials declined to comment, confirming only that negotiations were going on and nothing was final as of last week.

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CSO: 4200/321

## SAVINGS FROM YEN LOAN RATE CUT ASSESSED

Quezon City BUSINESS DAY in English 19 Jan 87 p 2

[Article by Michael D. Narasigan]

[Text]

The 0.5% cut in interest rates on Philippine yen loans could mean savings of as much as ₱100,000 a day, if Japan grants the full amount of ¥80 billion yen (about \$500 million) requested under the 14th yen loan package.

Calculations made by *Business Day* (based on the formula provided by Japan's Overseas Economic Cooperation Fund) indicated that overall savings could amount to ¥8.2 billion (\$53.553 million) in interest costs over 30 years, including a 10-year grace period.

There will be a higher savings rate of about ₱146,290.49 a day on the first 10 years wherein the Philippines will only pay for the interest costs. On the 11th year, when the Philippines starts paying the principal amount of the loan, the savings will be reduced to about ₱76,802.51 daily.

The Philippines requested Japan for ¥80 billion yen under the 14th yen loan package, half of which will be used

to finance 14 projects and the remaining half of ¥40 billion yen as commodity loan.

**AMOUNT.** A Japanese mission is due to arrive next month to evaluate the Philippine government's request. It is not yet definite if Japan could grant the whole amount requested, but a Japanese official who asked not to be identified said that "it could not be much less than the amount requested."

Officially, Yasuaki Tanizaki, the embassy's chief economic officer, told *Business Day* that: "It is going to be not less than ¥49.5 billion but not more than ¥80 billion."

Japan committed to increase its credit assistance to the Philippines from the ¥49.5-billion granted under the 13th yen loan package but will not go beyond ¥80 billion, the amount normally extended to Indonesia and Thailand, for the 14th package.

Assuming that the requested amount of ¥80

billion is extended and fully disbursed as scheduled, the Philippines will be able to save as much as ¥4 billion (\$26.123 million) during the 10-year grace period and another ¥4.2 billion (\$27.429 million) during the 20-year amortization period of the principal loan.

**REDUCTION.** The reduction of the interest rate to 3% from the normal 3.5%, announced by Tanizaki last week, is estimated to cost only ¥49.2 billion instead of ¥57.4 billion in interest charges over a 30-year repayment period.

According to the OECF, only the interest costs are paid during the 10-year grace period. The principal is payable within a 20-year period starting on the 11th year. Although the rate of interest remains fixed at 3%, the actual amount of interest charges are reduced annually because only the remaining amount of the principal is subjected to interest payments.

Due to the reduction in the interest rate, the Phi-

Philippines will spend about P3,203.76 million during the 10-year grace period in interest charges instead of P3,737.72 million if the rate remains at 3.5%, or a difference of P533.96 million.

During the remaining 20-year amortization period, interest charges will amount to P3,363.95 million instead of P3,924.61 million for a difference of P560.66 million.

The reduction in the interest rate, applicable to Philippine yen loans committed starting Jan. 1, 1987, is a part of Japan's "new initiative in the field of economic assistance for the Philippines."

**CONTRIBUTION.** According to Tanizaki, his government granted the Philippine request to reduce the rates "due to budgetary constraints" as Japan's "contribution to the alleviation of the (Philippines's) debt burden."

Included in the "new initiative" is a new credit facility called "revitalization of existing projects" program. Under this facility, the Philippines could request for additional loans outside of the 14th yen package to finance the revitalization, rehabilitation and maintenance of existing large projects.

Such projects are not limited to those financed by previous yen loans but it could include those funded by other sources including international financial organizations such as the World Bank, Asian Development Bank as well as other donor countries.

Tanizaki explained that the new facility has been set up mainly through Japan's own initiatives "to help alleviate the severe economic situation" the Philippines is currently facing.

Japanese authorities, he said, have noted that during the previous Marcos regime, the Philippines undertook large-scale projects. Under the present economic situation, it will be quite hard for the new administration to embark on similar projects.

**REPAIR.** However, since most of the projects undertaken during the past two decades have been completed, some of them will need repair, rehabilitation or renovation, Tanizaki said.

He added though that the facility will not be as much as what will be provided under the 14th yen package.

"A relatively smaller amount (than the 14th package) will be provided but with that small amount, we could revitalize some projects and it could have tremendous effects," he says.

Initially, he added, Japan can provide revitalization funds for two to three large existing projects such as power plants, factories or irrigation system. Specifically, the Philippine Ports Authority's plan to repair and rehabilitate the country's port system could qualify for financing under this facility.

However, it will really depend on the government's priorities as to what projects should be revitalized, Tanizaki said.

## MANILA EXCEEDS IMF BASE MONEY CEILING BY 2 BILLION PESOS

Quezon City BUSINESS DAY in English 20 Jan 87 p 3

[Article by Daniel C. Yu]

[Text]

"The Philippines has exceeded the base money ceiling it committed to the International Monetary Fund for end-December 1986 by some P2 billion, preliminary estimates made by the Central Bank indicate.

The base money, consisting of reserve money (currency in circulation plus deposit balances of banks) and reserve eligible securities (low-yield government securities) totaled P54,082 million during the test week" from Dec. 29 to Jan. 2 or P3,082 million over the base money ceiling of P51 billion for end-December.

Monetary sources told *Business Day*, however, that during the last five days of the test period, stepped-up reverse repurchases by the CB or its borrowings from the banking system, further reduced the overall level of base money and preliminary estimates indicated that the actual yearend base money level is about P2 billion above what was agreed with the IMF under the standby program.

Technical adjustments

on the final yearend base money level is expected to trim down the excess "fat" and monetary authorities are confident that, if at all, the level of base money would exceed the agreed ceiling by a much smaller amount.

**NOT CONCERNED.**

Finance Minister Jaime V. Ongpin yesterday told *Business Day* that the overshooting of the base money ceiling should not be a source of concern.

"That's a tempest in a teapot; I am not at all concerned. It is just a technical problem because of the yearend window dressing. If you look at the results of the Treasury auction the last two weeks, it has returned back to normal," Ongpin explained.

He added that the fundamental reason why there is a base money ceiling "is because you do not want to have an inflation problem." He said the inflation during the last five months was practically negative and for the whole year it was less than 1%.

Based on the country's letter of intent submitted to the IMF and made

available to *Business Day*, the ceilings on monetary base "will be adjusted downwards (upwards) to reflect any reduction (increase) in reserve requirement on deposit money banks."

"In addition, the limits will be adjusted upwards by the amount that net international reserves exceeds the program floors up to a maximum of P2 billion," the agreement with the IMF indicates.

**REFLECT.** In the case of the reserve requirement, monetary sources said an adjustment downwards by about P1 billion on the yearend level of base money could be made to reflect the reduction in banks' reserve ratio for short-term deposits from 22% to 21% and from 6% to 5% for longer term deposits during the latter half of last year which effectively released about P1 billion in funds that would have increased base money during the period.

In addition, preliminary estimates indicated that about P1 billion out of the technical adjustment in net international reserves could also be reflected to adjust the base

money ceiling upwards.

These twin moves, sources said, could offset the estimated P2-billion excess base money for yearend 1986 and allow the country to meet the base money ceiling agreed with the IMF.

Sources said the IMF has not been officially informed of the difficulties of Philippine authorities in meeting the base money ceiling, but sources said it is believed that the IMF is aware of the problem.

Under the previous standby arrangement, in the monitoring of liquidity, the reserve money was one of the key performance target which the country had to meet in order to draw from a standby credit provided by the IMF to shore up the country's balance of payments position.

**SPECULATIVE.** During the period 1984 to the first half of 1985, the government had difficulties in controlling the level of liquidity in the system since inflation then was at record levels and speculative attacks on the peso fueled a sharp increase in money supply.

## WORLD BANK POLICY RECOMMENDATIONS REPORTED

Quezon City BUSINESS DAY in English 26 Jan 87 p 2

[Article by Mercedes A. B. Tira-Andreil]

[Text]

WASHINGTON, D. C. — The Aquino government has achieved substantial gains in pushing the Philippine economy back to recovery but must remain consistent and vigilant in implementing its agenda of economic reforms to sustain a real turnaround.

This is the bird's eye view of the Philippine current economic situation and prospects as seen by the World Bank which chairs the Consultative Group of Western creditors for the Philippines. The group, which includes 14 governments and 10 multilateral financial institutions, are due to meet Jan. 27-28 at the World Bank European office in Paris to review Philippine economic performance and prospects before deciding whether official development aid will be increased.

The Philippines is expected to present before the group an aid request estimated at \$2 billion for 1987, an increase of \$1.4 billion from 1986.

The meeting follows Jan. 23 negotiations between the Philippines and the Paris Club which resulted in a 10-year payment period for \$870 million of Philippine foreign debts to creditor nations.

**GOALS.** The World Bank said the Aquino government now needs to focus on raising output, employment and living standards in an environment of constrained resources, both domestic and foreign.

Although the Philippines is rich in natural and human resources, the Bank says, its recovery effort will be hindered by factors such as biases against agriculture and export production, low productivity in industry, weaknesses in the financial system, low public sector savings, and foreign debt overhang.

The government also needs to avoid some policies that are popular in urban areas but which go against the aim of agricultural and export development. These policies include overvaluation of the peso, negative effective protection for agriculture and export activities, and price control on agricultural products, the World Bank said.

**ENVIRONMENT.** The Bank said several positive developments can significantly ease the country's adjustment and recovery process. Among them, it noted, are the previous drop in world oil prices and in international interest rates.

Adjustments made in the manufacturing sector, reforms in agriculture, an expected increase in investments resulting from changes in political and economic conditions, and the philosophy of the Aquino government to support agriculture, small producers and exports which have all been discriminated against in the past regime, are also seen as pluses for a good economic recovery.

The Bank also noted as a main achievement of the Aquino administration the elimination of the heavy inflation of 1983-84 which it said should be safeguarded as a substantial economic gain.

It also said a consistent adjustment program that is perceived as sustainable should help the Philippines to attract foreign direct investments and should encourage the return of capital that left the country during the Marcos years.

**DEBTS.** The Philippine recovery program, according to the Washington-based Bank, needs to address the fiscal difficulties that have developed as part of the problem of servicing foreign debt, referring to the specific problem of government financial institutions (GFIs) which constitute a significant factor in the projected budget deficit.

The World Bank, in a briefing paper, said: "Government expenditures on goods and services have already been reduced significantly in the last two years. Since the government needs to increase social expenditures and infrastructure rehabilitation, the most promising ways of reducing the public sector deficit are to cut transfers to public corporations and improve tax collection in the medium-term. Recent tax measures taken by the government greatly improved the prospects for higher revenue performance."

"Given the size of the external obligations of the GFIs, the problem has become one of financing the deficit without generating inflationary pressure and/or crowding out much-needed private investments. Some external financing of the deficit will be essential while structural measures are taken to reduce the consolidated deficit. However, for the external savings to be actually absorbed, they must be transformed into actual imports of goods and services. These underline reforms of the trade regime as a crucial component to achieve sustainable growth."

The World Bank said that for the country to have a more open and competitive economy "the key question is timing and sequencing of trade reforms."

**EXPORTS/IMPORTS.** Trade reforms should start with export promotions together with removal of import restrictions on raw materials and intermediate products, the Bank said. Maintenance of the present flexible exchange rate system is also a crucial element of this strategy, it added.

Other export promotions measures suggested by the Bank include quality control, duty-free imports for export production, and negotiations for enlarged access to restricted markets.

Import restrictions on raw materials also need to be removed so that industries that use them are no longer penalized by these barriers and can become more efficient when they compete with foreign products, the World Bank said.

According to the Bank, the Aquino government has undertaken measures in this direction such as the removal of export taxes, and the elimination of barriers to a number of imported raw materials.

If an economic turnaround is achieved through the short-term reforms, the government in the next five years will face issues that will strike at the heart of sustainability of economic recovery, the Bank said. This recovery is linked to projections that during the 1987-91 period, the world economy will remain relatively favorable as a result of the decline in oil prices in recent years, and in real interest rates. This favorable economic environment includes projections of industrial countries' gross domestic product (GDP) growth at about 3.5% a year, with international inflation remaining low and real interest staying at current levels. Global manufactured exports are also projected to grow at about 7.5% and oil prices are projected to increase by 18% from the levels of 1986 by 1990, the World Bank said.

**PROSPECTS.** With this external environment, the Bank projects two scenarios for the Philippine economy during the 1987-91 period. First, the low case: According to the bank, this is the most likely scenario with a recovery anticipated in 1987 — led by industrial growth — which will result in a real GDP level 5% above 1986. This can be achieved if existing capacity is more effectively utilized, the Bank said. In 1988 and beyond, GDP growth would be sustained at about 5%. As investments and exports continue, strong growth and new projects start to yield returns.

The second or the high case is what the recommended agenda of reforms may bring about if adequately implemented and, more importantly, if private sector confidence is rapidly rebuilt, the Bank said.

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CSO: 4200/321

## CENTRAL BANK CURBS INSIDER LOANS, CITES ABUSES

Quezon City BUSINESS DAY in English 26 Jan 87 p 2

' [Article by Daniel C. Yu]

## [Text]

The Central Bank is planning to tighten regulations on bank loans to bank insiders and managements after monetary authorities discovered that rules are continually being circumvented in various ways, *Business Day* sources in banking said over the weekend.

The sources said monetary authorities are finalizing a new circular which will be issued shortly to further regulate loans to "linked borrowers." They said the issuance of the circular will be in time for an expected resurgence in loan demand beginning the second semester. They added it is also partly in response to a recent World Bank recommendation for monetary authorities to institute an "early warning system" to determine the financial soundness of banks before problems set in.

"Linked borrowers" are members of a family group, a business group, a corporate group, or a combination of any of these.

"Family group" refers to all relatives within the third degree of consanguinity or affinity or by legal adoption; "business group" refers to co-

directors, co-officers or co-stockholders forming more than 20% interest in a corporation or co-members in a co-partnership or co-owners in a property; "corporate group" refers to corporations or partnerships where a group of corporate co-stockholders (corporate parent) have majority interest.

A study by the CB of loans to linked borrowers says monetary authorities are "concerned that the DOSRI (directors, officers, stockholders and related interests) regulations do not effectively control the flow of bank funds to bank insiders and their related interests."

It also notes that the single borrower limit (SBL) regulation "could not prevent the monopoly of bank funds by certain interest groups."

The study says DOSRI rules appear ineffective at times because "they have concentrated on individual-oriented and overt linkages, and have not provided for group-oriented and covert linkages."

In the case of SBL rules, the study shows that without exceeding

the limit of 15% of the bank's networth, an extended group could take over the loan portfolio of a bank through various practices.

The study identifies at least five schemes used by bank insiders and managements to circumvent DOSRI and SBL regulations and which monetary authorities had not anticipated.

Among these is the "threshold stock linkages," in which ceilings on loans are circumvented by breaking up group stockholdings into small portions and distributing them over members of the group.

In another scheme, bank insiders make use of family members beyond the first degree of consanguinity and business associates to maximize loan availments.

Some bank insiders use friends and informal associates as "dummies" to mask the channeling of funds to their business interests.

The concern of monetary authorities over such practices has been in direct response to recent bank failures, particularly during the crisis years, which involved bank insiders and managements that cornered bank funds

for related interests. Failing to pass the usual strict credit criteria, these practices led to the financial difficulties and eventual collapse of the banks.

Sources said Central Bank governor Jose B. Fernandez Jr. has indicated that for this year, after addressing problems of government banks, authorities would like to revert their attention to the private banking system.

They said that, with high amounts of cash in the banking system, the CB is keeping close tab of banks' lending conduct lest bank failures of 1984 to 1985 are repeated in future years.

Abuse of DOSRI and SBL regulations has been one of the principal factors that had caused bank failures. Sources said monetary authorities are aware of the difficulties in drawing up rules to prevent excesses in lending to linked borrowers. They said the idea is to penalize such activities such as by disqualifying directors and/or officers of banks from further holding employment in any financial institution under the supervision and regulation of the CB.

## DOCUMENTS IMPLY BINONDO FINANCING BEHIND FAILURES

Quezon City BUSINESS DAY in English 26 Jan 87 p 8

[Text]

Five state-owned enterprises previously managed by former trade and industry minister Roberto V. Ongpin, may have suffered huge losses as a result of their deep involvement in the controversial "Binondo central bank," according to documents obtained by the Philippines News Agency (PNA).

The Binondo central bank, said to have been set up by deposed President Marcos, was allegedly used extensively to stash away part of the alleged illegal wealth of the Marcoses and their cronies.

It was controlled and monitored by Ongpin who enforced his directives with the help of then armed forces chief of staff Gen. Fabian C. Ver who fled with the Marcoses to Hawaii.

The five enterprises were the National Development Co. and four of its over three dozens affiliates — The Philippine Associated Smelting and Refining Corp. (PASAR), the Philippine Phosphate Fertilizer Corp. (Philphos), the National Steel Corp. (NSC) and the International Corporate Bank

(Interbank). Ongpin was then chairman of all these enterprises.

**SECRET.** Secret documents show that NDC and its four subsidiaries sold a total of \$426.4 million to the Binondo CB from March 1984 to February 1986, the two-year period during which the illegal blackmarketing activity of the Binondo CB intensified.

During the same period, the NDC units, except Philphos, bought back some \$36 million from the Binondo CB. The buy-and-sell operation, Ongpin later explained, was intended to influence the exchange rate of the peso against the US dollar.

However, in all these transactions, the peso-dollar exchange rate used was never reported.

The same documents show that sometime in May 1984, Philphos diverted \$102 million or 82% of a \$130-million foreign loan from the Philippine National Bank, the firm's depository bank, to the Central Bank as demand placements.

**PERSONALLY.** Some \$12.03 million, on the other hand, the same re-

cords indicate, was alleged to have been personally ordered transferred by former Philphos president Miguel Zosa from the firm's account with PNB Manila to the bank's Buendia (Makati) branch on May 22, 1984. This transfer, however, was not recorded by the accounting department of the fertilizer entity.

The former Philphos management also allegedly caused the transfer of some \$6 million of its account with the London branch of American Express Bank to PNB Buendia and was recorded as short-term investments.

An internal audit report later showed that the transfers resulted in a loss of P8 million to the company.

In addition to the mysterious fund transfers, records show that some \$1.9 million of Philphos's \$18-million placements with PNB Manila was missing and that the company also made advances to two sister companies — \$10 million to PASAR and \$3 million to NSC.

Officials of the NDC companies told the PNA that they did not know that their companies were being used in the

Binondo CB operations.

**ORDERED.** A Philphos official said that the transactions were "mostly ordered by Vinnie James Yu," then vice-president for finance of Philphos.

PNA reported that a PASAR official also confirmed that the transactions largely "involved Yu" who occupied three positions at PASAR. He was chief finance officer, treasurer and assistant to the chairman. Yu was also at the same time assistant general manager of NDC.

Officials of NSC, however, refused to comment on the alleged involvement of NSC in the operations of the Binondo CB despite efforts to get their reactions.

At the time that NSC was involved in the Binondo CB operations, it was headed by Jose Ben Laraya who is now acting general manager of NDC and, at the same time, NSC president. NSC's vice-president for finance at the time was Rolando Narciso who is now senior vice-president.

Both Laraya and Narciso have refused to comment on the involvement of NSC in the Binondo CB.



# PCGG TAKES CONTROL OF GARMENTS FIRMS

Quezon City BUSINESS DAY in English 27 Jan 87 p 11

[Text]

Hong Kong investors of De Soleil Apparel Manufacturing Corp. and American Inter-Fashion Corp. have sent a letter to President Corazon Aquino, proposing to take over the management of the two garments firms. In exchange, the Hong Kong group promised minimum profits of P18 million in 1987 and continued employment for the firms' 1,800 workers.

In the letter, Yeung Chun Ho, representing himself and other Hong Kong investors, said they could guarantee full utilization of 225,000 dozens export quota of the two firms.

He also said they are prepared to guarantee a minimum profit of US\$4 per dozen for a total of US\$900,000 or P18 million in 1987.

Should profits exceed P18 million, a Hong Kong group representative said it would be accounted for and divided according to the ownership of the firm. The Hong Kong group holds 33% of the two company's equity.

The Hong Kong group said they would be willing to deposit 2/3 of the guarantee profit or P1 million a month in a reputable local bank in the name of the Philippine government until ownership of the shares is determined by the local authorities.

Furthermore, they said that the present work force of at least 1,800 Filipino workers shall continue to be employed by the firm.

Because of the difficulties brought about by the change in management, the Hong Kong group said the two companies are in danger of a production stoppage.

They pointed out in a press conference yesterday that the import quotas of raw materials for March have not yet been acted upon by the officer-in-charge and this could result in losses for the company.

The Presidential Commission on Good Government (PCGG) has decided to take full control of the operations of De Soleil Apparel Manufacturing Corp. and American Inter-Fashion Corp., the garments firms reportedly owned by Imee Marcos-Manotoc, eldest daughter of deposed President Marcos, and former deputy prime minister Jose Roño.

Negotiations between the PCGG and the minority Hong Kong investors of the firms for control of operations by the latter reportedly bogged down because of unacceptable terms offered by the group.

In an order dated Dec. 29, PCGG commissioners Mary Concepcion Bautista and Quintin Doromal directed Noemi Saludo, officer-in-charge of both firms, to set up the purchasing and marketing operations of the two firms in the country.

These activities are presently conducted and monitored in Hong Kong. Ringo Garments, another Hong Kong-based firm, also controlled by the group, has the exclusive rights to handle the marketing and purchasing of the two firms.

At the same time, Saludo was also asked "to make the production department fully in the hands of Filipino nationals."

Both Bautista and Doromal stressed that these moves should be undertaken "in the national interest."

In compliance with the directive, Saludo immediately set up a new marketing office which has secured orders from new buyers at prices much higher than those previously secured by the Hong Kong group for the same finished products.

De Soleil and American Inter-Fashion are relatively new firms which Imee Marcos-Manotoc and Roño set up in 1984 to take over the plant, operations and quota of Glorious Sun Fashion Garments Manufacturing Corp.

Earlier reports said former trade and industry minister Roberto V. Ongpin "maneuvered to strip Glorious Sun of its quota and transfer it to the two crony firms." These reports are still being investigated by the PCGG which, in the meantime, sequestered both De Soleil and American Inter-Fashion.

Saludo came in as OIC in both firms only in April last year and has since managed to turn around operations from losses in 1984 and 1985 when the companies were still under full control of the Hong Kong investors, to modest profits of about ₱1.5 million at the end of 1986.

Sources said that the Hong Kong investors have been bringing in foreign technicians to handle sensitive jobs in both companies. There are about 16 of such HK technicians at present, most of whom are allegedly facing charges before the Commission on Immigration and Deportation (CID) for working here without proper working visas. The Hong Kong managers are also under investigation before the Pasig's fiscal office for alleged violations of labor laws.

The PCGG reportedly put off its decision to take over the management of the two firms following an offer from the

Hong Kong group for payment of guaranteed income on a monthly basis to the PCGG.

The first offer was for ₱6 million in guaranteed income which was later adjusted upwards to ₱8 million. Both offers, however, were denied. Lately, however, feelers have been received by the PCGG for a guaranteed annual income of ₱18 million in what was perceived as a last ditch effort by the Hong Kong group to control the firms. This has surprised the PCGG considering that for the 1984-85 period, the Hong Kong group failed to generate any profit despite their full control of the operations.

PCGG investigators have also uncovered in the two firms certain suspicious transactions involving the purchase of materials and the sale of finished products during the time that these companies are fully controlled by the Hong Kong group. — PNA

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CSO: 4200/321

## 1986 FERTILIZER, PESTICIDE IMPORT COST \$123 MILLION

Quezon City BUSINESS DAY in English 20 Jan 87 p 2

[Text]

The country last year spent a total of \$123.24 million to import its fertilizer and pesticides requirements. The import bill was 5% lower than the previous year's \$129.85 million, but the drop was largely due to the 10.1% decline in the cost of imported fertilizers.

Pesticides accounted for 27.8% or \$34.24 million of the total import bill as it increased by 11% from \$30.85 million the previous year. Total volume likewise increased by 11% to 12,074 metric tons (MT) from 10,909 MT.

Figures from the Ministry of Agriculture and Food showed that total cost of fertilizer imports amounted to only \$89 million as compared to 1985's \$99 million. Substantial cuts in world prices of major fertilizer grades brought down the import costs despite higher volume.

Retail prices of five major fertilizer grades — urea, ammosul, 14-14-14, 16-20-0 and potash — went down by 24% last

year against their previous average in 1985 while consumption rate, save 14-14-14, increased from between 7% to 74%.

**PRICES.** Imports of urea, the most widely used fertilizer in the country, increased by almost 50% to 553,807 MT from 370,140 MT in 1985. As a result of lower world prices, average domestic retail prices of urea dropped 51% to P130 per 25-kilo bag from P263 per bag. About 88% or 490,269 MT of total urea imports were consumed during the year, reflecting a 62% increase from 1985's consumption rate of 301,727 MT.

Local production of ammosul was stopped last year due to the declining world prices. It became more costly to produce this particular grade than to import it, thus, about 94% of the total requirements were imported. Last year, a total of 191,350 MT of ammosul were imported, posting a 1,391% increase from 1985's 12,833 MT.

Imports of potash last year reached 55,698 MT against zero the previous year as total demand for this grade increased by 74%.

Two grades — 14-14-14 and 16-20-0 — both produced locally by the Philippine Phosphate Fertilizer Corp. and Atlas Fertilizer Co., had lower importations.

**VOLUME.** Total volume of 14-14-14 imported decreased by 76% to 29,550 MT from 125,206 MT while 16-20-0 went down to 29,000 MT or 68% from 90,934 MT as sales of both grades changed minimally with a 1% reduction and 7% increase, respectively.

Last year, Philphos became fully operational and provided bulk of the country's requirement of 14-14-14 and 16-20-0. Together with Atlas, both firms accounted for 68% of 14-14-14 and 50% of 16-20-0, improving the previous year's record when 76% of 14-14-14 and 39% of 16-20-0 required were imported.

Agriculture and Food Minister Ramon Mitra said that the better performance of the fertilizer industry last year was mainly due to the full liberalization of the industry including other policy measures implemented after President Aquino took over in February.

**FREED.** Imports of fertilizer were freed from taxes and duties as trading both internationally and domestically were opened to every entrepreneur. The P10 levy imposed on every bag to repay the debts of Planters Products, Inc. was also removed.

As a result, the industry grew to about 48 firms, fiercely competing against each other from a mere four firms during the previous administration. The liberalization brought down prices which greatly influenced higher consumption.

As Mitra would say it: "Fertilizer dealers are losing money, but our farmers are happy."

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CSO: 4200/321

COLUMNIST ANALYZES FAILURE OF MUSLIM TALKS

Quezon City BUSINESS DAY in English 19 Jan 87 p 4

[Article by Ninez Cacho-Olivares in the "My Cup of Tea" column: "Give a Little, Take a Little"]

[Text]

When President Aquino flew to a Muslim stronghold to meet and discuss the Moro problem with Moro National Liberation Front chieftain Nur Misuari, I commented that it was a mistake. The mistake was not so much that the President had flown to Moroland. The mistake was that she had, by that act of meeting with Misuari, given the nation and the Filipino Muslim world the impression that Nur Misuari was the leader of all Muslims. There were, to be sure, other Muslim leaders of equal stature, if not importance, but by meeting with him and signing a "cessation of hostilities" agreement with the Misuari group, Mrs. Aquino, by that act, virtually recognized Misuari as the Muslim leader, with whom a Philippine President had to negotiate, to resolve a conflict.

And because Misuari was given that importance, and that virtual recognition, he got more than he had bargained for. He and his armed men went all over Mindanao. And Misuari, in almost every speaking engagement, bragged. The government gave him the use of naval facilities, trucks, and other material assistance. Armed to the teeth, his men could roam freely all over Mindanao and sol-

diers in the AFP stayed in their barracks.

There are other armed Muslim groups, and other leaders, but the Aquino government did not seem to give them the same recognition and importance. It was, to some observers, only a matter of time before the other Muslim leaders and their armies would display their armed strength.

Bloody clashes occurred in Mindanao recently, but this time, it was the Moro Islamic Liberation Front (MILF) that was involved. Again, the Aquino government, in another damage control reaction, sought a temporary ceasefire with the MILF.

The Bangsa Moro Islamic Party's chairman, Datu Firdausi Abbas, reportedly claimed that the series of armed attacks staged by the MILF signified the repudiation of the Aquino government for its failure to address the demands of Muslim Filipinos. Abbas also claimed that the clashes were indicative of the disenchantment at the way government is handling the Muslim problem, adding that the Aquino government strayed from its commitment made in the last presidential elections to grant autonomy within the framework of the Tripoli Agreement.

Another Muslim, a former Filipino charged'affaires in Tehran, said that the war in Mindanao can be solved only by the full implementation of the Tripoli Agree-

ment. This, to him, will be abrogated if the draft constitution is ratified.

President Aquino made a lot of promises during the presidential campaign, and, truth to tell, if the electorate keeps count of the number of promises she made, it would realize that there were many promises that haven't been kept. But I, as a citizen, do not believe that this is enough cause for groups of citizens to wage a bloody war against the Aquino government.

Muslim groups have talked about secession and autonomy for a long time. These days, talk of secession seems to have been drowned out by demands for autonomy. But many Muslim leaders want autonomy granted within the framework of the Tripoli Agreement.

The Tripoli Agreement, if fully implemented, would create more problems. While the Muslims will no doubt benefit greatly from its full implementation, this would also create a bigger problem for non-Muslim Filipinos in Mindanao who would naturally resent being governed by the Muslims and their fundamental laws.

During the Marcos years, Muslims knew that while the Tripoli Agreement was reached, it was

hardly implemented by the Marcos government. Then President Marcos created a legislature in Mindanao, but most citizens in the area knew that it was all for show and that it achieved nothing much. This is not to say that autonomy for the Muslims, or a legislature for and by the Muslims, cannot work under such a system.

But the Muslims do have a legitimate grievance against government. For decades, the Muslims' demands have largely been ignored by governments. They have hardly any real voice in government. And just about the only time government listens to the Muslims is when the threat of war comes into play.

The Muslims have their own customs and traditions and beliefs they do not want to give up, but there is no reason they cannot remain Filipinos without giving up their customs and traditions. And there is no reason Muslims and non-Muslim Filipinos cannot live in relative peace and harmony. But to achieve this, government should start listening to the Muslims and their grievances. And Muslims should do the same. They should also start listening to the non-Muslim Filipinos who see things a bit differently.

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CSO: 4200/321

SINGAPORE

LEE KUAN YEW HOLDS TALKS WITH SUHARTO

Regular Working Visit

BK061229 Singapore Domestic Service in English 1100 GMT 6 Feb 87

[Text] President Suharto of Indonesia, who is in Singapore on a 1-day working visit, has held talks with Mr Lee Kuan Yew at the Istana [Palace]. The meeting lasted for about 1½ hours. They then joined the other ministers who were having separate discussions.

Later, the foreign minister, Mr Dhanabalan, told a news briefing that the two leaders discussed the ASEAN summit in December and the changes in the Japanese economy. They also kept each other informed of their countries' development.

Mr Lee explained to the Indonesian president Singapore's economic progress, the problem of trade last year, and the action taken to overcome it.

President Suharto spoke of the preparations for his country's general elections in April and the acceptance of the philosophy of Pancasila by the Indonesian people. They also discussed the plebiscite in the Philippines. They expressed the hope that events in the country over the past few weeks would settle now that the referendum showed the support for the new constitution.

On the parallel meeting which was held by ministers accompanying President Suharto and their Singapore counterparts, Mr Dhanabalan said the two sides did not discuss any bilateral issues. He said there were no major problems [words indistinct] the friendly relations between the two neighbors.

The Singapore delegation comprised the first deputy prime minister and defense minister, Mr Goh Chok Tong; the second deputy prime minister, Mr Ong Teng Cheong; the foreign minister, Mr Dhanabalan; the communications minister and second defense minister, policies, Mr Yeo Ning Hong; the trade and industry minister and second defense ministers, services, Brigadier General Lee Hsien Loong; the minister for community development and second minister for foreign affairs, Mr Wong Kan Seng; and the acting health minister and minister of state for foreign affairs, Mr Yeo Cheow Tong.

## Dhanabalan Calls Visit 'Success'

BK061229 Singapore Domestic Service in English 1100 GMT 6 Feb 87

[Text] The Foreign Minister, Mr S. Dhanabalan, has described President Suharto's visit to Singapore which ended today as a success. He was speaking to reporters at Changi Airport after seeing President Suhoato off. He said the talks between the Singapore and Indonesian delegations were carried out in a friendly atmosphere and reinforced the warm relations between the two countries. The visit was also an opportunity for the president and Mr Lee Kuan Yew to exchange views on wide-ranging matters. The Indonesian leader left for home this morning after a 1-day working visit. He was here at the invitation of Mr Lee. Among those to see him off were the prime minister, Mrs Lee, the Second Deputy Prime Minister Mr Ong Teng Cheong, and staff of the Indonesian Embassy in Singapore.

## No ASEAN Common Market

BK061229 Singapore Domestic Service in English 1100 GMT 6 Feb 87

[Text] Indonesia and Singapore share the view that the ASEAN summit to be held in Manila in December should not discuss the issues of ASEAN common market and free trade. Singapore Foreign Minister S. Dhanabalan told reporters after meeting with his Indonesian counterpart Prof Mokhtar Kusumaatmaja Friday that they both agree it was unrealistic to take up the two issues at the summit. Dr Mokhtar is here accompanying President Suharto on a 24-hour visit. Suharto and Singapore Prime Minister Lee Kuan Yew held a separate meeting for about 1½ hours. Dhanabalan said the Manila summit is very significant and it is important to have a substantial agenda. On the talks between Lee and Suharto, Dhanabalan said they discussed the need to pay attention and take steps to benefit from the rise in the Japanese yen. The two leaders also discussed the Kampuchea conflict and touched briefly on the controversial visit to Singapore by Israeli President Chaim Herzog, the minister said. He added that Lee and Suharto did not take up bilateral issues as there is no problem that needs their attention.

From Indonesia were the state secretary and minister, Mr Sudharmono; the foreign minister, Dr Mokhtar Kusumaatmaja; the cabinet secretary, Dr Murdiono; and the armed forces chief of staff, Gen Benny Murdani.

Mr Dhanabalan said one of the subjects discussed was Cambodia and the changes in the Vietnamese Communist Party leadership. The minister noted that these changes should not have been translated into changes in the Vietnamese leadership's policies. He said if the new leadership really wants to change the economy, it must get rid of [words indistinct] in Cambodia and sooner or later there must be changes in the Cambodian policy.

The Indonesian foreign minister, Dr Mokhtar Kusumaatmaja, said he and the president hold a firm view that ASEAN should continue to hold on to its present policy on Cambodia and to insist that the principle of self-determination be upheld and the wishes of the Cambodian people recognized.

On the question of changes in the Japanese economy, they noted there are opportunities for ASEAN and agreed that necessary steps must be taken to see how the grouping can benefit from this development in Japan. They also decided to study how Japan can play a greater role in ASEAN's economic development.

As for the coming ASEAN summit, the minister noted this will be an important event as it marks the 20th anniversary of ASEAN. It must have a substantial agenda to make it worthwhile. The main issue to be looked into will be economic cooperation.

President Suharto's trip today is part of a regular exchange of visits between the leaders of Singapore and Indonesia to [words indistinct] changes in the region and other parts of the world.

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CSO: 4200/320



## BRIEFS

LEE CONGRATULATES AQUINO--Singapore, 6 Feb (BERNAMA)--Singapore's Prime Minister Lee Kuan Yew Friday congratulated President Corazon Aquino on the overwhelming public confidence for the new Philippines Constitution. In a message to Aquino, Lee said that the people of the Philippines have registered their desire for constitutional government and their support, confidence and trust in her and her government. "May this renewed strength enable you to overcome the formidable difficulties," he said. [Text] [Kuala Lumpur BERNAMA in English 1225 GMT 6 Feb 87 BK] /9738

BRUNEI DEPUTY FOREIGN MINISTER ARRIVES--Singapore, 8 Feb (AFP)--Brunei's Deputy Foreign Minister Zakaria Sulaiman arrived here Sunday for a five-day official visit. Mr Zakaria is scheduled to meet with Foreign Affairs and National Development Minister Suppiah Dhanabalan and the Second Minister for Foreign Affairs Wong Kan Seng, a foreign ministry announcement said. He is also due to meet with Minister of State for Foreign Affairs Yeo Cheow Tong. [Text] [Hong Kong AFP in English 0348 GMT 8 Feb 87 BK] /9738

CSO: 4200/320

THAILAND

COMMERCE MINISTER INTERVIEWED ON EXPORT POLICY

Bangkok MATICHON in Thai 31 Dec 86 p 4

[Interview with Mr Montri Phongphanit, the minister of commerce; date and place not specified]

[Excerpt] [Question] The value of exports has increased as a result of the trade policy implemented by the Ministry of Commerce last year. What is the trend for 1987?

[Answer] I have stipulated additional measures. I think that these will stimulate exports and play an important role in bringing progress to the country. Thailand still has many other types of products that can earn money for the country. We will use a free trade system and will allow the private sector to play the main role. These additional measures concern counter trade. The trade system has been arranged so as to be fair to both producers and consumers. The importance of agricultural products is being stressed. Besides this, we will try to change the compulsory measures in order to encourage those in the private sector to engage in business activities. We will try to eliminate as many obstacles as possible. This is the broad policy. As for placing special emphasis on counter trade, the target is to increase exports. I think that exports should increase 11 percent. This should be possible, because we will step up the export of goods that have not been exported before and there will be more counter trade. An 11-percent increase translates into approximately 254 billion baht. We have been working hard to increase exports.

[Question] What will you use as an inducement in carrying on counter trade?

[Answer] Joint trade committees will be formed. Since I became minister of commerce, we have established three or four additional committees. If we have such committees, I think that counter trade will improve. Wait until the end of the year. We are establishing joint trade committees with Czechoslovakia, Iran, and New Zealand. With fruit, we have a packing problem. But business should be good concerning industrial and agro-industrial goods.

In the case of Yugoslavia, the cabinet has already given the order. If there is a public unit, goods can be sold. Previously, we had to see if the unit had funds. There were many obstacles. If no unit wants the goods, they can be sold

on the open market. If there is a unit, the bartered goods can be shipped immediately. Doing things this way will speed up things. We must attach importance to our agricultural goods. It depends on how important it is at the time.

[Question] Are there any special policies for accelerating the export of rice?

[Answer] There are policies for increasing rice exports. Every year, little rice is exported in January and February. But large quantities are shipped from March on. Stocks are low in January and February. I intend to change this. That is, my goal is to export large quantities during January and February. Even if we can't export large quantities because foreign demand is below our target, I will still take the rice from the farmers and store it.

Thus, I have a high goal. That is, I want the Ministry of Commerce to obtain 500,000 tons from the farmers. Because normally.... Like last year, we took only 260,000 tons in January. I want to double that.

In some years, the amount has reached only 300,000 tons in February. I want to increase the amount obtained from the farmers to 400,000 tons. This will decline in March. Thus, my targets for the present period are quite high. I am sure that rice prices this year will be higher than expected. However, the Rice Price and Measures Committee [RPMC] has not set guaranteed prices. Rather, it pays the going rate. I am a member of this committee. Thus, I have to act in accord with the committee's policies. The Ministry of Commerce must take action to step up exports. I have to step up exports. We have to get the rice out of the hands of the farmers. This is like a market mechanism.

Rice has been a problem for many years. Every year, exports are terrible in January and February. By chance, I took office during this period. I will increase the amount. Even if we don't actually export the rice, it will be the same in effect.

[Question] Will you help the exporters?

[Answer] We have to have their cooperation. The policy of the RPMC is to step up rice exports. This is the responsibility of the Ministry of Commerce. In doing this, compensation must be paid, and help must be provided as necessary. But there are seven people on the committee, not just me. We will consider paying compensation. There is no reason for people to be concerned.

[Question] Will this be done in the form of supporting exports or having exporters help stockpile rice?

[Answer] Everything possible must be done, including exporting and stockpiling rice, in order to hit our target. Suppose, for example, that the Ministry of Commerce exports 300,000 tons or 260,000 tons. But the ministry must ensure that the amount reaches 500,000 tons. The exporters may stockpile additional amounts in order to push up prices. If this is done, rice prices will definitely increase. That is, exporters will participate in the stock program, and the Ministry of Commerce will stockpile rice, too. This will not be compulsory. We will try to keep things on a voluntary basis.

[Question] Will the 300 million baht be spent on this?

[Answer] That money must be used by the Ministry of Commerce to pay compensation. This should be enough based on the situation as I have described it. I did not set these targets all by myself. I try to use suggestions from people in every sector if I think that this will bear fruit. But I am the one who makes the decision. Every issue has to be discussed with advisors. But there are certain things about which I can't go into detail. It's not that I am trying to keep things secret. But there could be negative consequences if I revealed everything.

[Question] The Farm Act will again be a problem in 1987. What steps have been taken to solve this problem?

[Answer] There have been reports. Talks may be held in January. We will discuss the textile issue and other matters. If I say anything, it could cause alarm. We have made preparations. To solve this problem, I will have to fight hard and may need government support in paying compensation. Besides this, it may become necessary to retaliate. There are several things that we can do to retaliate. We can retaliate politically if it should become necessary. Because the situation here is very bad. We are a small country. We can retaliate in several ways.

[Question] What will we do if the United States gives even more support to American farmers?

[Answer] We might have to retaliate. Because that would affect us directly. Thailand is suffering losses. But I will lobby first. Or something like that. We will try to improve things on this front. But we will have to spend more on this.

[Question] Shouldn't the private sector, or rice exporters, provide support by putting up some of the money to help the government lobby?

[Answer] Yes. The Association of Rice Exporters must provide help. I intend to ask them to cooperate on this. I will negotiate by focusing on mutual international political interests. For example, suppose that the United States pours in large quantities and that we share certain long-term political interests with that country. They will have to negotiate. It's like when we sold rice to the government of Senegal. There were common political interests. Because actually, they were trying to get a foothold there. That's what reports said. But I use common political interests and so neither side loses.

Some have said that we purchased fertilizer for \$155 a ton and sold rice for \$98 a ton. But those are lies. That is not true. Actually, that is quite suitable. For example, Romania sells unbagged fertilizer for \$150 a ton. Almost all of the American and Japanese fertilizer used in Thailand sells for more than \$150 a ton.

There is only one country that floods the markets at low prices. But we use less than 6 percent here. I purchased the fertilizer from Senegal for \$149 a

ton and sold the rice at \$102 a ton. And we had a 3-month credit. This is what I mean by shared political interests. Both of us got a good price. We can retaliate. Whether we take strong action or not depends on the situation.

[Question] Do you think rice prices will increase in 1987?

[Answer] I don't think that the price of export rice will go much higher. But domestic rice prices will rise. That is, paddy prices will increase. I can't give you an exact figure. We can't give an average. If you know the facts or if you are a farmer or are close to the farmers, you will know that this can't be done. Production costs are different in each locality. Thus, if I give you a figure, those with low production costs will be satisfied, but those with high costs will be unhappy. Thus, prices vary throughout the country. However, the price of export rice should decline. My goal is to increase quantities at the beginning of the season and for the entire year. I am confident. If the rice data is accurate, I will stipulate how much should be exported. I will know. Based on the data that I have on yields, which may not be 100-percent correct, we must export approximately 4.1 million tons.

[Question] Will the cassava export policy be changed?

[Answer] I have asked officials and members of the Cassava Association to come discuss this. I have asked them about the matter of cassava bonuses. That is, if someone sells an amount outside the EEC, he is given an equal quota for the EEC. We discussed changing the EEC quota to 1.25 parts as an inducement. I will have to consider all the data. I have to consider what the yields are and take the results of the negotiations into consideration. If cassava yields increase, I may consider the matter and decide to encourage people to increase exports outside the EEC. Because if yields are large, prices will drop.

If yields are large, they will get an EEC support price. They will export outside the EEC, If they get an EEC support price, they may make a profit. But if quality is good and there are no major problems with the EEC, I will not make any changes.

I have to consider three groups, the producers, the plants, and the exporters. I have to consider what the effect will be on the small and large exporters. I have to ensure that all three are treated fairly. However, the emphasis has to be on the farmers. Even if the other two have to suffer some losses, I will do my best to keep the losses as small as possible. I am not 100-percent sure about yields this year. That is, I am not completely sure what yields will be. Every year there are reports on the size of the yield. I base things on the size of the yields. No one will be able to criticize me. I will not give anyone too much or too little. I will not lean toward anyone.

[Question] What about the policy for exporting textiles next year?

[Answer] I think that we must hold negotiations with them. We can't let them set too great a limit on our quota. If they limit our quota, we won't be able to export large quantities. We have to find new markets, too. There are problems that must be solved. We will hold negotiations with the United States in January. We have to be able to export larger quantities.

## Counter Trade Subcommittee

### Members:

1. Minister of commerce, chairman
2. Deputy minister of foreign affairs, member
3. Deputy minister of finance, member
4. Deputy minister of agriculture and cooperatives, member
5. Deputy minister of industry, member
6. Under secretary of commerce, secretary
7. Director-general of Department of Business Economics, assistant secretary

### Duties of the subcommittee:

1. To consider and stipulate criteria and a suitable course of action in carrying on counter trade based on the policies formulated by the economic cabinet in order to ensure that the counter trade activities of the government units and state enterprises proceed along the same track and benefit the country as much as possible.
2. To supervise counter trade activities so that the best results possible are achieved. The subcommittee must monitor both exports and imports based on the criteria and line of action stipulated.
3. To monitor and evaluate the activities of the government units and state enterprises and coordinate things in order to ensure that the counter trade activities of the government units and state enterprises are in accord with the policies, criteria, and line of action stipulated by the economic cabinet. The subcommittee must send periodic reports to the economic cabinet. If problems are encountered in discussing or implementing counter trade, such matters are to be submitted to the economic cabinet for a final decision.
4. The subcommittee has the authority to establish work committees as necessary.
5. The subcommittee has the authority to summon experts, including people in the private sector, to come provide facts as necessary and appropriate.
6. To consider other matters entrusted to it by the economic cabinet.

In order to maintain continuity in carrying on counter trade activities and to ensure good coordination, the subcommittee should establish a Work Committee on Counter Trade with the following members:

1. Director-general of Department of Business Economics, chairman
2. Representative from Ministry of Foreign Affairs, member
3. Representative from Ministry of Agriculture and Cooperatives, member
4. Representative from Ministry of Industry, member

5. Representative from Ministry of Finance, member
6. Representative from Bureau of the Budget, member
7. Representative from Office of the National Economic and Social Development Board, member
8. Representative from Bank of Thailand, member
9. Representative from Department of Foreign Trade, member
10. Director of Commercial Policy Division, member and secretary

11943

CSO: 4207/111

FOREIGN MINISTER LAMPOONED FOR PRO-PRC ATTITUDES

Bangkok BAN MUANG in Thai 23 Nov 86 p 3

[Cartoon]



/6091

CSO: 4207/124



HUMAN RIGHTS VIOLATIONS OBSERVED AGAINST CPT RETURNEES

Bangkok KHAO PHISSET in Thai 3-9 Nov 86 pp 25-26

[Article by Thongbai Thongpao: "The Sufferings of the Returnees--Incidents to Question the Commander in Chief"]

[Text] "Regarding the incidents that are happening in Surat Thani province as well as in other southern provinces, are there any ways to help?"

That is part of a letter I received last week.

"It concerns those who have surrendered themselves to the authorities. Yet they were guarded as if they had not really changed their minds. Then they were murdered. Also the families of those who are still hiding are being intimidated."

Recent cases of murder, of which the authorities still cannot find the culprits, include the case of Mr Fong Pitaks of Ban Hoo Nop, Section 6, Bansong Subdistrict, Wiangsa District, Surat Thani Province, who was shot to death at his house at night.

Also the case of Mr Naratip (Kiad) of Ban Klong Soon, Section 6, Prupree Subdistrict, Ban Nasarn District, Surat Thani Province.

Both cases happened this past September 1986. The authorities cannot yet find the culprits.

Another case is the recent murder of Tip, as called by her comrades--real name not known--wife of Mr Winai Meesang. Mr Winai had surrendered to the police and later ran for a provincial representative position. He received a lot of support from the public and it was expected that he would be elected to the position. Yet, 3-4 days prior to the election day, he was shot to death. Not so long after that, his wife was also fatally shot.

Also the culprits cannot be found.

Another case is that of Mrs Samli Gaochud, wife of Mr Uthai Gaochud. There was no clear indication of Mr Uthai's whereabouts. The government had asked him to surrender but he refused to do so. The officials then closed down the

the rubber plantation so no rubber cutting could be done. Finally, the rubber trees were burnt down. Mrs Samli then reported to the Ban Nasarn District police station, but the police cannot give her any help since the land was in the military jurisdiction.

"I do't know where to ask for justice. There were requests for us to come out and give ourselves up so we can help develop the country. However, after we did accordingly, we were faced with these misfortunes. Nobody claims responsibility. There are no guarantees at all."

This is their appeal

Of course there are those who used to join the Communist Party of Thailand forces and were later arrested. Yet, the authorities have never processed their cases according to the internal security laws, for example, the Criminal Code and the Prevention of Communist Activities Acts. As members of the Communist Party, they should be considered political prisoners. Since their activities are considered politically inappropriate, they are then prisoners of conscience or of ideology. They should not be considered criminals nor are they performing criminal activities.

Even if some times their actions may be illegal according to criminal law, yet the purpose of their actions is political, and are done in the name of or according to the purpose of their political party. On this account, they should be regarded as political prisoners or prisoners of conscience which is a universally accepted concept. Also they should be protected as they would be universally...Examples are:

-Mr Sompong Thongnukool, 26; accused of murder, he was sentenced in 1985 to a 33-year imprisonment.

-Mr Chareon Thongchang, 26--first charge: Killing an officer; second dcharge: possession of military weapons and attempted murder of the officers, was sentenced to life imprisonment for the first charge, and 26-year 6 months imprisonment for the second charge.

-Mr Suwan Waenpech, 24, was arrested on 26 April 1983. Accused of murder, he was sentenced to life imprisonment by the provincial court of Toong Song.

-Mr Chamnian Ratanokoch, 25, was arrested on 22 August 1983 and sentenced to a 33-year 4-month imprisonment by the provincial court of Toong Song.

-Mr Satit Pechnoy, 33; Mr Somporn Thongpan, 31; and Mr Somboon Choomthong, 25; accused of the conspirous murder of the sheriff of Prasang District, Surat Thani Province, all three were sentenced to life imprisonment.

-Mr Panya Chantameta, accused of murder, was sentenced to 29-year imprisonment.

-Also, Mr Chao Chantaraleun, sentenced to 33-year 4-month imprisonment by the Pattaloong Provincial court for alleged murder of the officer.

-Mr Samart Saksri, accused of resisting the officers and murder, was sentenced to 54-year imprisonment by the provincial court of Ubon Rajathani.

-Mr Prakong Rodnoo, also known as "Keo," and Mr Samut Srinongchaw, accused of possessing military weapons. After being tried at the court, they were charged with being communists. The incident occurred in Pattaloong Province.

In some northeastern provinces, for example, Udon Thani and Kalasin, those who have given themselves up were later arrested on criminal charges.

These incidents have created unrest, fear, and suspicions among those who have already surrendered. They also have an impact on those who have not yet given themselves up, as well as on those who are thinking about giving themselves up to the authorities. Now, they are not sure what the government would be doing once they surrender, or whether they would be arrested after they surrender. Since they have been Communist Party member for a long period of time, it is certain that they have carried out their activities according to its plans, or according to what they have been told by the Communist Party. If reviewed according to the Prevention of Communist Activities Acts and the Criminal Code, their activities would be judged criminal.

The government's policy is to use those who surrender in national development. However, if there is revenge or retaliation after they surrender, will they be brave enough to come out?

The Army Commander in Chief, General Chavalit Yongchaiyut, recently mentioned that misunderstandings still exist among some officers, and that there are some activities that might be creating conditions for war. These are similar to the situation that happened before the expansion of the communist forces several years ago.

This means that the commander in chief himself, is fully aware of the situation. Therefore, he is warning, or implying, that they should prevent history from repeating itself. In his opinion, if that happens again, it will be more difficult to control than it was before.

He is thus warning the officers not to create any more conditions for war, in other words, to be just and not create trouble for the people. Better yet, the commander in chief should provide real tangibles in addition to legal guarantees to those people, and not just broadcast them only as statements or policies.

What should be done simultaneously is to change those policies into law so there will be a genuine guarantee of a society ruled by law.

12781/12951  
CSO: 4207/67

COLUMNIST HOPES FOR LAO TIES, WANTS 'WHITES' OUT

Bangkok SIAM RAT in Thai 28 Nov 86 p 3

['Right Wing' Column by Masik Sonkwan: "The Beginning of the Thai-Lao Dream"]

[Text] Yesterday was the first day the Thai and the Lao began to talk after more than 2 years of quarrels.

Laos is called the "rubber domino" of Indochina, which means it fell softly and the color of the country changed with the least trauma, less than Cambodia and Vietnam. There is little confusion in Laotian politics which, in turn, have almost no affect on Laos' Thai neighbors although the political systems are different.

Thailand and Laos have small border conflicts regarding the refugee problem and warships on the Mekong River. Actually, they are problems which can be solved easily. The road to friendship between the two nations is not difficult to build.

If we look at past conflicts between Thailand and Laos, it is strange that the countries believe in their political systems so much that they forget their common history and that they are brothers and sisters of the same race.

The important point is that they establish their foreign policies based on the two superpowers which creates mistrust and suspicion of each other and causes them to lose benefits they might otherwise realize.

When the two governments communicate with each other, if they would forget about white people such as the Americans, the Russians, or the Chinks, many things could be better and they would better understand each other.

If the talks were based on the best interests of the two nations in particular instead of on those of the superpowers...I believe that when the Thai and the Lao meet again, they will have a good discussion and will not think about other nations far away and who is communist and who is democratic.

The aforementioned Mekong River is like the Chao Phya River, the two banks of the Chao Phya are for Bangkokians, but for the Thai and the Lao who live

along the Mekong River, the river means more than the Chao Phya to Bangkokians. For them, the political and governmental systems are secondary to feelings of being brothers, sisters, acquaintances, and neighbors who help each other.

When the Thai-Lao border was closed, it was not only the Lao who were hurt, but the Thai in the area were sad and depressed when the soldiers of both sides fired on each other because when you looked at them, they looked like Thai northeasterners killing each other.

Yesterday's beginning could be a good beginning for the Years of Peace...

When I close my eyes, I can see busy Lao markets; there are Thai merchants and Thai products and the Lao are living better than now because of commerce and help from Thailand.

If friendship continues, Thailand and Laos can develop the tourist industry to gain more foreign currency.

Thailand should benefit greatly from these talks and Laos should benefit as well. The tourism year is what we should dream about.

13216/9835  
CSO: 4207/85

HIGH-LEVEL POLICE CORRUPTION SCANDAL COVERAGE CONTINUES

Extent of Influence Peddling

Bangkok MATICHON in Thai 21 Sep 86 pp 1, 16

[Excerpts] MATICHON has received reports from the police department about the transfer of some superintendents and deputy superintendents who have had problems at the headquarters. This may result in the transfer of high-ranking officers in the 1st and 4th regions of the Provincial Police Administration (PPA). Presided over by Pol Lt Gen Pao Sarasin, assistant director of the police department, the 19 September meeting of the Police Commission determined that digging into the background of headquarters transfers and by getting the list of names to be appointed by the Police Department suspicious evidence is found mostly in the 1st region.

The report further stated that at the superintendent-level meeting in August to review names that will be presented to the police department for approval, a high-level officer distributed a list of names from the 1st region that he had prepared beforehand. The list was read to the attendants and the process took only an hour which stunned everybody who was present. Some tried to protest but to no avail.

The report further stated that the provinces with the most problems are: Chonburi, Chanthaburi, Trat, Samutsakhon, Samutsongkram, Ratburi, Petchburi, and Prachuabkirikhan. In Chonburi in particular, the original name on the list was not Pol Colonel Seri Temiyavet who was appointed superintendent by the police department.

As regards the transfers in the 4th region, the report revealed that since there are only a few transfers at the deputy commander and superintendent-level there, only a few problems are experienced. The transfer of the 4th regional commander is believed to be from long-standing problems.

It is also reported that, besides the 1st region HQ, the problems exist in other regional HQ also. All together there are 30 provinces that are involved in rather clear-cut cases of job-selling, and more than 50 percent of the names on the original lists submitted by HQs have been changed when they readied the Police Commission.

The positions that the officers will be transferred to are not the same as reserve positions to which the persons transferred must be clearly guilty. Also no police department commander's office will be established to accommodate the transfers of these two officers.

In addition the report stated that in the transfer of superintendents of a very prosperous seaside province, especially because of Eastern Seaboard Project, some merchants have bribed a commander to buy a job for a deputy superintendent from another province winding up in a superintendent's job there. However, the request was not approved by the Police Commission.

#### Prices Paid for Jobs

Bangkok MATICHON in Thai 4 Oct 86 pp 1, 2

[Excerpts] Report from the police department stated that the investigative committee are investigating the case of Commanders Pol Lt Gen Prachan Phramphan and Pol Lt Gen Linpit Satchaphan who have been accused of the lobbying and job-buying concerning transfers of police officers. They have called for all documents and data pertaining to the transfer of officers in the 1st and 4th regions of the Provincial Police Administration.

Sources in the police department revealed that prior to the transfer of the two officers from the 1st and 4th regions, the Interior Ministry has asked for cooperation from various banks to review the accounts of these officers in the 1st and 4th regions to see if there have been irregularities. It was found that rather large amounts of money, both in cash and checks, was deposited in the accounts of the two officers and their close associates. This prompted the police department to transfer them from their posts and to set up an investigative committee to look into the matter.

It is also reported that the areas where the positions are sold: superintendent-inspector of the 3d region for 500,000 baht, superintendent of Samut Songkram Province for 1 million baht, superintendent of Nakhon Pathom Province for 1 million baht (already paid), chief inspector of Phrapradaeng police district for 1.5 million baht, and chief inspector of Khok Samrong District for 300,000 baht.

The report further mentioned that none of those who have spent money to get jobs have been appointed to the position they were seeking. Also, there has been lobbying and job-buying for the position of chief inspector of Pathum Thani District at around 300,000 baht but no agreement was reached and a counter-offer of 500,000 baht was made. The job seeker turned it down and decided to use the money he'd saved to buy a car instead.

#### Deliberations Over Transfers Noted

Bangkok THAI RAT in Thai 20 Sep 86 pp 1, 20

[Excerpts] A special meeting of the Police Commission was held yesterday (19 September) at 1100 hours at the PD headquarters. The meeting was presided over by Gen Prachuab Suntarangkun, Interior Minister and chairman of the commission.

This special meeting was not pre-scheduled and was to review the transfers of some high-ranking police officers at the commander level. Those who are involved include Pol Lt Gen Prachan Phramphan and Pol Lt Gen Linpit Satchaphan, superintendents of the 1st and 4th Provincial Police Regions respectively. Both may be transferred to the PD headquarters. It was expected that they will be replaced by Pol Maj Gen Chit Bunyachai, 1st region deputy commander; and Pol Maj Gen Pingphan Netrangsi, 4th Region deputy commander. Both will take over as their region's commanders.

It was reported that as a result of the news of the bribery demands in the transfers of the superintendents and chief inspectors involving several hundreds of thousands of baht--also widely known as 5-7-9--with some inspectors and some high-ranking station commanders acting as middlemen, the police department has established a committee to investigate the matter. The chairman of the committee is Maj Gen Pao Sarasin who is also chairman of the committee to review the transfers.

The investigation uncovered solid evidence that bribery as well as job-selling do indeed exist. This happens especially in the 1st and 4th regions of the PPA which resulted in the transfers of those two commanders. The next step will be the appointment of a committee to review the cases both for disciplinary and criminal prosecution against the bribe solicitors, job sellers and buyers.

It is especially notable that Region 1 Commander Pol Lt Gen Prachan Phramphan who is also a member of the Police Commission was not invited to this meeting. Also the police department has consulted with the Interior Ministry with respect to the transfers of high-ranking officers to the ministry.

Our reporter was informed by a police general who is also a member of the Police Commission on how the use of influence has been brought to bear in the transfers. He cited the case of Pol Col Seri Temiyavet, superintendent of Mukdaharan, who was transferred to be superintendent of Chonburi as an example of the Commission's deliberations. It was widely known that some influential person in Chonburi Province tried to lobby, spending vast amounts to buy the Chonburi superintendency for some officers under their influence. This is an important reason why the police department appointed Pol Col Seri to that position so as to counter these influential persons.

It is also reported that, prior to the transfer of the two commanders, the police director general ordered that department-level commander's office staffed by a police Lt Gen be established for those who are found to be inefficient. There should be many more of these. This issue was also discussed at this meeting.

Our reporter has contacted the 1st Provincial Police Regiment HQ in order to interview Lt Gen Prachan Phramphan about the transfers of officers in his division as well as his own. A man identifying himself as a high-ranking officer and a close colleague of the commander answered the phone. The reporter asked if the commander was in and that he would like to talk with



him. The officer answered that he did not know. In asking the whereabouts of the superintendent, the reporter received the answer, "it's my boss's business... you asked about my boss, I cannot tell you anything. It is a secret." The reporter said that he would like to interview [the commander]. The officer said "Other officers have nothing to do with this and keep your nose out of it, especially print journalists who always print negative stories. I cannot allow you to see him," then he hung up right away.

This special commission meeting, however, lasted only an hour. Upon leaving the meeting at 1200 hours, Interior Minister Gen Prachuab Suntarangkun revealed to reporters that this was a special meeting and that the outcome was to be kept confidential. Reporters asked if the meeting was to review the transfers of high ranking officers. Gen Prachuab answered, "No comment." The reporters asked if this special meeting was to review especially urgent matters. Gen Prachuab affirmed that it was confidential and he cannot say anything. Then he got in his car without revealing anything to the reporters.

It is reported that this special meeting was called on short notice and they had only the night before (18 September) for preparation. Gen Prachuab Suntarangkun and Pol Gen Narong Mahanon had telephoned the commission members and asked them to attend the meeting. All were present except for Lt Gen Suthat Sukhumwat who was sick, and Lt Gen Prachan Phramphan.

It was expected that the result of the meeting will be the transfers of two commander-level officers to the headquarters, namely Lt Gen Prachan Phramphan and Lt Gen Linpit Satchaphan, of the 1st and 4th regions respectively. Pol Maj Gen Chit Bunyachai, 1st region deputy will be promoted to commander, and Pol Maj Gen Phingphan Netrangsi, deputy commander of the 4th division will be promoted to commander.

The meeting [for the transfers of chief inspector-level officers] lasted until 1800. Pol Gen Narong Mahanon mentioned to reporters that this was a confidential meeting and he cannot reveal anything yet. The reporters asked if this was the meeting to review the transfers of high-ranking officers which have already been decided, Gen Narong confirmed that it was not, since what has been done was done legally therefore the review was not necessary. On the question of the transfers of the 1st and 4th region superintendents to the headquarters, Gen Narong replied that, as has been answered by Gen Prachuab Suntarangkun, this was a confidential meeting and he definitely cannot give any answers.

#### Inspector General Comments

Bangkok NAE0 NA in Thai 1 Oct 86 pp 1, 16

[Excerpts] Inspector Gen Pol Lt Gen Vasit Detkunchorn, chairman of the investigative committee, has been invited to give comments to the mass media at the Prime Minister's Office on the annual transfers of police officers.

Pol Lt Gen Vasit said because people have suspected the paying of bribes for positions during the police transfer process, since 1 September the department has implemented a series of measures and there is a committee to investigate the issue. The committee is comprised of Pol Lt Gen Pao Sarasin as chairman, Pol Lt Gen Sawang Thirasawat, deputy director of the department, and Pol Lt Gen Vasit himself. The committee has reviewed the appointment lists of every jurisdiction for improprieties. The result of the investigation will be forwarded to the headquarters. The committee has just met and after one month, the investigation was completed as of this morning.

Pol Lt Gen Vasit further stated that the issue has been reviewed in full detail. As a result, there will be new transfers in every part of the country. The new transfers will cover almost every level ranging from chief inspectors to deputy chief inspectors and approximately 30-40 positions will be affected. These changes, however, do not mean that those who are transferred are guilty. The committee has based their considerations primarily on seniority and work record of each officer. Some officers do not have good records yet get important positions; some have been promoted too fast.

Pol Lt Gen Vasit also mentioned that the reassignments of the 1st region commander Pol Lt Gen Prachan Phramphan, and the 4th region commander Pol Lt Gen Linpit Satchaphan, to Police Department commander jobs without commands have created a lot of excitement to those who heard the news. However, this is an administrative measure that must be followed when something questionable is found. Also it will give the investigative committee an opportunity to follow the issue more conveniently. To investigate the matter, the police department has appointed a committee of which he is the chairman.

Pol Lt Gen Vasit also stated that anybody who has evidence which may be useful to the investigation may send it by mail directly to his attention at the police department. Or if they want to meet the committee in person, the committee will go meet them. The committee will try to keep the identities of the informants confidential as well as to safeguard both the informant and the evidence.

The reporters asked if much evidence has been obtained. Pol Lt Gen Vasit answered that most of the evidences he received are unsigned letters. However, nothing confirmed that there really have been sales of jobs. He, as chairman of the committee, will have to look into the matter and talk to those involved. Subsequently, the results will be evaluated and presented to the police department for review. The police department has asked the committee to finish the investigation as soon as possible without fixing a date. However, that will depend on the evidence as well as on the witnesses that need to be interviewed. He himself would like to see the project doen as soon as possible also.

As regards the rumor that Pol Lt Gen Prachan and Pol Lt Gen Linpit might resign, Pol Lt Gen Vasit explained that the investigation will still continue. However, he doesn't think that the police department will allow them to resign

now. Even if they were no longer with the police department yet with evidence of guilt, they could still be brought back for punishment. This is the same for all government officials no matter where they work. As for the fears that the police help its own, he would like to reassure everybody that that will not happen. If it did, it wouldn't show up like this. He still does not know yet how many police officers are involved in this scandal. We must look at the evidence. Finally, he emphasized that being on this committee really does not worry him. "If they are guilty, so be it."

12781/9738  
CSO: 4207/17

BOARD FINDS POLICE COMPLICITY IN JOB-SELLING

Bangkok NAO NA in Thai 16 Nov 86 pp 1, 16

[Text] The police department has set up a committee to investigate Police Lieutenant General Prajan Prampan and Police Lieutenant General Linpit Satjapan, former commanders of Provincial Police Regions I and IV, who have been accused of improper behavior concerning the assignment of police officers, which became notorious according to earlier news reports.

Additional reports indicate that the committee consists of Police Lieutenant General Wisit Dedkunchon, superintendent of police, as chairman and Police Major General Pratin Santiprapob, deputy provincial police commander, and Police Major General Chatchai Ubprapong, deputy inspector of police. The committee is now investigating the evidence and several witnesses, especially in Provincial Police Region I, but in Provincial Police Region IV, the investigation has just started and is not as advanced as the one in Provincial Police Region I.

Reports reveal that the committee certainly will conclude the investigations and submit the legal case to the police department before the end of the year. The results of the investigations will show that the committee has gathered many documents and witnesses, especially in Provincial Police Region I where the investigation revealed that there was some bending of the rules to obtain benefits in terms of assignments and promotions....

The news concerning the results of the investigations also indicated that there were brokers for job-selling. The price for the rank of police superintendent was 1.5 million baht in the provinces near Bangkok, which are considered to be very good, for example, Samut Prakan... Nonthaburi.... For the position of chief inspector in a large district near Bangkok, the price ranged from 500,000 to 700,000 baht... for the position of inspector, the price was about 300,000 baht.

As for the results of the investigations, if there is concrete evidence against the two high-ranking police officers, the punishment will be dismissal from government service.

When the committee finishes investigating this case, it will be submitted to Police Director General Narong Mahanond. If there is merit to the case, there will be another committee which will impose discipline and punishment.

13217/9738

CSO: 4207/89

## THAILAND

### GOVERNMENT, UNION LEADERS VIEW UNEMPLOYMENT ISSUE

Bangkok BAN MUANG in Thai 3 Jan 87 pp 1, 14

[Unattributed report: "Unemployment Increases, No Apparent Way To Solve the Problem"]

[Excerpts] Dr Niyom Purakham, the secretary general of the National Statistical Office, told reporters that unemployment still stands at 2.2 million people. This is the figure obtained after the harvesting season. As for whether unemployment will increase, we have to look at the various components and at the job creation factors of the government. At the moment, industry is still in a slump. However, we will have to look at things again after the Chinese New Year. At present, unemployment in Thailand is about 6 percent, which is better than many of the highly industrialized countries, where unemployment is approximately 12-13 percent.

Dr Niyom said that it is expected that unemployment will increase due to the fact that 1985 graduates are now entering the labor force. It is estimated that approximately 50,000 university graduates a year will enter the labor force. But the public labor market will be able to absorb only 10,000 a year. Besides this, the vocational schools are graduating almost 200,000 people a year. But the labor market cannot absorb more than 50,000. Something must be done to solve this problem. More and more people are entering the labor force even though those who have been in the labor force for a long time still do not have jobs.

Mr Chamnan Photchana, the director-general of the Labor Department, was interviewed on labor trends in 1987. He said that one thing that is very worrisome is that many people are employed in jobs that do not permit full use of their knowledge and skills. Wages are low. Employers continue to disobey the law. To solve these problems, the employees and employers councils and government officials must help monitor things. The Labor Department can't do everything by itself. However, in Thai style, there is mutual help. Employers are providing food and transportation. Employees should not demand to receive their entire pay in cash. Because even with the law, it is the employers who have the advantage today. This is because so many people are unemployed, said Mr Chamnan.

Mr Thanong Pho-an, the president of the Labor Council, Employees Council of Thailand, said that the standard of living of laborers was better in 1986 than it was in 1985. The number of people laid off declined, and employment increased. In 1987, there will probably be greater cooperation in solving the labor problems, and employment in general will probably increase.

Mr Thanong said that the standard of living of laborers will probably improve in 1987. In 1986 approximately 4.8 million laborers were unemployed. This will probably increase to at least 5 million in 1987. This means that the number of unemployed will increase by at least 300,000 people. Mr Thanong said that he would like to ask the government to give greater attention to the labor problem, because in the past, it has not given this problem the attention that it deserves. Today, laborers are becoming more active. Otherwise, nothing will be done to solve the problems. The labor problem is a major problem. Laborers working abroad remit approximately 30 billion baht a year through the system. Another 20 billion baht is remitted outside the system. The Department of Labor should be upgraded to a ministry. That would speed up the decision-making process. For laborers, the situation should be better in 1987. There should not be any problem with lay offs. The government should take action to increase the morale of the laborers for the benefit of the country. He said that he wishes laborers good fortune and happiness in the new year.

Mr Thanong concluded by saying that laborers must concentrate on nine issues in 1987. The government must take steps to ensure that the labor law is enforced strictly. The government must consider the problems of the laborers seriously and establish a special committee so that production costs of similar types of industries are approximately the same. There must be some form of social insurance. There must be fair agricultural products price guarantees. Child and female laborers must be treated in accord with the law. Investors should give much consideration to laborers. Besides this, the Labor Department must be upgraded. Prices must be controlled so that things are fair. The employers and employees must cooperate with each other. At the same time, action must be taken concerning foreign protectionist laws.

11943

CSO: 4207/111

STUDENTS, MP'S DEBATE REGIME FARM, JOBS POLICIES

Bangkok NAO NA in Thai 1 Dec 86 pp 1, 16

[Text] Students.

At the Grand Palace Ground, on 30 November at 1700, the Student Union of Thailand gathered to ask the government to solve the problems of the farmers quickly and properly. There were laborers from Prapradaeng, students, and citizens numbering over 1,000 at this gathering.

The Student Union of Thailand issued a pronouncement that evening saying that the government is not sincere in trying to solve the rice price problem which creates extreme difficulty for the rice farmers. The students will not let these people die in front of them.

The pronouncement indicates that the government's method of solving the problems of the farmers, the allocation of 5 billion baht for low-interest loans, the 4 billion baht rice purchase intervention of the Interior Ministry, and the 300 million baht Commerce Ministry support for rice exports are simply superficial with benefits going only to a small group and not to the farmers.

Part of the pronouncement said that "General Prem Tinsulanonda has been prime minister for 6 years, but he has not been able to solve the rice problem; therefore, we do not want our country governed anymore by an incapable and irresponsible person like General Prem."

The Student Union of Thailand asked the government to review its methods of solving the rice price problem quickly as well as to set up a standard price for each kind of unhusked rice, in each area, in order to guarantee the price at which the rice farmers sell their rice to the rice mills. Moreover, the government must compensate the farmer if the rice mill does not buy the rice at the standard price.

Mr Pusit Prakongsai, secretary of the Student Union of Thailand, told reporters that between 5 and 7 December, the union will send students to survey the price of rice in a five-province area, that is, Suphan Buri, Kanchanaburi, Uthai Thani, Prachuap Khiri Khan, and Nakhon Ratchasima. The students will be from 4 different universities: 100 from the Ladkrabang Institute of Technology, 80 from Mahidol University, and 20 from Thammasat University and Chulalongkorn University.

"After we learn the truth, we will institute methods to pressure the government to solve the problem," said the secretary of the Student Union of Thailand. He also said that the students will coordinate with the leaders of the farmers and labor groups this time in order to collect this information and ask the government to solve the problem.

Finally, Mr Pusit said that he thinks that the government's rice policy is retarded, and since the request to review the rice policy had never received a good response, the union must do something for the benefit of the farmers.

In the afternoon of 30 November, at the Imperial Hotel, the Tienchai group and the committee fighting for a new society organized a discussion on "the Prem V government and economic problems." The participants included Mr Prachuap Chaisan, deputy minister of commerce; Mr Jamrat Puaychuay, member of parliament from Petchburi and deputy secretary of the Kitprachkom Party; and Associate Professor Siwong Sumit, head of the Department of International Economics at Chulalongkorn University.

Mr Prachuap discussed and admitted the country's economic problems. "I won't distort the facts," he said. "If they are not good, we have to admit that and if there are solutions, we have to discuss them. The economic problems may come (1) from our country and (2) from the outside. The problems we now face are big ones for the government: unemployment, the trade deficit, and the foreign debt."

Mr Jamrat said that the unemployment figure from the Office of Statistics is 2.3 million. In order to solve the problem, the government has to create more jobs. He thought that creating an atmosphere for investment by reducing interest rates the past 2-3 times did not help increase investment, but will reduce it instead. It showed that reducing the interest rate did not work. In the matters of investing in the building of a deep sea port and fertilizer and tantalum factories, last year the government said the deep sea port would be built at Madaput, Rayong Province, but this year, the government said it will be built at Lamchabang, Chonburi Province, which results in uncertainty for the investors. In the case of the fertilizer factory, which should have been a reality, Jamrat is afraid that it will not be built because the government might fear the political influence of the international fertilizer trade.

2. The administration was not prepared because the ministerial appointments were not based on knowledge and experience. For example, Mr Prachuap Chaisan, who is knowledgeable about labor, instead of working at the Interior Ministry, was appointed to the Commerce Ministry; General Harn Leenanond, instead of working at the Interior Ministry, works at the Agriculture Ministry. Moreover, when there is a rice problem, the person who chairs the Committee on Rice Policies and Measures is Admiral Sontii Bunyachai, who on his first workday told reporters that he knew nothing at all about rice.



Mr Jamrat said he disagrees with Prime Minister Prem's appointing an oversight committee on the implementation of government policies with Squadron Leader Prasong Sunsirii, secretary to the prime minister, as committee chairman, to follow up on the work of the ministers and government officials. This shows that the prime minister does not have confidence in his ministers and might result in conflict between the permanent government officials and the politicians.

There has been no past government that has been able to solve the rice problem. The opposition suggested that the government (1) should keep 4 million tons of unhusked rice for 5-6 months of the year, to allow the price of rice on the world market to increase, by renting silos and paying interest totaling only 500 million baht, and (2) should open negotiations with the United States which produces 5 percent of the world's rice, like Thailand, to increase the price of rice. This measure should be possible. Concerning the Farm Act, if the United States supports its farmers, we should support our farmers also; this should not be a big problem.

The member of parliament from Petchburi also said that the opposition proposed to the prime minister that the cost of 1,000 kg of rice varies between 3,050 baht and 2,490 baht. If we want to increase the farmer's living standard, the farmer has to be able to sell 1,000 kg for 3,050 baht. There have been endless discussions on the variable cost of rice, for each area, for 10 years now.

"The measures that the government has implemented will not be successful, but are only to console," said Mr Jamrat in the end.

13217/9738

CSO: 4207/89

PAPER WANTS AGRICULTURE BANK TO HELP FARMERS IN DEBT CRUNCH

Bangkok NAE0 NA in Thai 25 Nov 86 p 3

[Text] The Bank for Agriculture and Agricultural Cooperatives (BAAC) is the problem.

People in rice circles have indicated several times that the problems of the farmers, besides high costs and expenditures, include being in debt beyond their ability to repay. Surveys show that more than 60 percent of Thai farmers are in debt. One government thought about paying off the debts, but when it discovered the enormous cost, it shelved the project.

The two important creditors of the farmers are, first, local creditors who loan money and provide supplies and collect at harvest time. This debt is called the "green fall." The other creditor, who has even more influence on the life of the farmer, is the Bank for Agriculture and Agricultural Cooperatives (BAAC).

It is estimated that the nation's farmers nowadays are in debt to the BAAC for 10 billion baht. This debt has been accumulating for 10 years and has become the duty of the farmers to maintain because its interest rate is lower than that of the local creditors.

The BAAC was established for the purpose of assisting farmers by replacing the local creditors. The function of the BAAC is to obtain money to lend, to build a collateral group, to develop the profession, to acquire fertilizer, and to accommodate loans from other government agencies.

Ever since there was the BAAC, the farmers have been getting loans; other projects had limited results and some had no results at all. The BAAC succeeded in being a creditor in accordance with its charter, but the lives of the farmers have gotten worse because they worry about paying debts to both the BAAC and the local creditors.

At the harvest, farmers have to rush to sell rice in order to pay the local creditors first. After that, they acquire money to pay the BAAC. Some farmers cannot meet their payments and have to borrow money from the local creditors to pay the BAAC. This is a double debt which causes the life of the farmer to be more difficult.

In order to solve the farmer's debt crisis, we suggest that the economic cabinet of the government establish a policy requiring the BAAC to change their method of helping the farmer immediately. The method that the BAAC should use is that when it approves a loan, it should control the farmer's use of that money for farming purposes, in accordance with what was said in his application. If he tries to use the money for other purposes, for example, weddings, entering the monkhood, and other celebrations, the BAAC must force him to use it in accordance with his agreement.

The BAAC should package the oversupply of rice in the market and retail it in the country which, besides benefitting the farmer, would also benefit the consumer with cheaper rice.

The BAAC can be a beneficial link between the farmer and the nation. Today, the price of unhusked rice is low, but milled rice is expensive. The government has to bear the debts of the majority of the people in the country, which in the long run damages everyone. If the BAAC changes its methods, we believe that Thailand's future will be better.

13217/9738

CSO: 4207/89

DR PRICHA PIAMPONGSAN OPPOSES STATE FIRMS' PRIVATIZATION

Bangkok KHAO PHISET in Thai 3-9 Nov 86 pp 8, 9

[Article by Dr Pricha Piampongsan: "Workers, State Enterprises, and Privatization--'There Will Be Resistance to Suggestions from the World Bank'"]

[Excerpts] The transfer of state run enterprises to the private sector, also known as privatization, is a phenomenon that is happening all over the world. In the United States, many private companies are now taking over various government services. In Canada, the government is considering selling its major transportation entities to private corporations. Similarly, the Mexican Government has already sold a large number of state enterprises and is in the process of selling approximately 200 more. In Asia--Korea, Malaysia, Bangladesh and Japan, for example, are also transferring state-operation business enterprises to private corporations.

We may learn some lesson from England's experience. After World War II, the government transferred several major enterprises to be operated as government run business, hoping that it would better serve the people. Consequently, the government experienced many problems... Since 1979, government properties, estimated at 20,000 million pounds, have been sold to private corporations.

As a result, the government can save a large amount of money (which once was used for various forms of support), and, therefore, it can better serve the people as well as better develop the economy.

The most important observations of the transfer of British state enterprises are: First, besides creating resistance to the idea, such transfers have caused anxieties among the workers with respect to hiring and employment. The public was not assured whether the service fees would be raised and what the quality of those services would be. Eventually, these concerns dissipated. Private enterprises are doing business in a competitive manners (either in the form of competing among themselves, or competing with the government) which results in a higher level of efficiency. In particular, the selling of British state enterprises happened concurrently with the distribution of stocks at a low price to the employees as well as to the clients. This is an important strategy. British Telecom, for instance, distributed stocks to 96 percent of its employees, thus created approximately 2 million new "moderate investors."

Such a phenomenon is a guarantee that British Telecom will never again become a state enterprise. This lesson from England clearly emphasizes that the selling of state enterprises in the form of worker ownership will lead to reduction in capital investment yet increase efficiency in services to society. This is based on the fact that the workers will definitely protect their own interests as well as the interests of the consumers who are mostly those working in the same economic systems.

The control of state enterprises that once belonged to the government by using the worker control method is a suitable approach to link "liberal business" with the "for-the-mass ideology."

Nevertheless, if we look back at the Sixth Economic Development Plan, we will see that both the World Bank and the National Economic Development Council have emphasized that privatization is one of the significant strategies of this plan. Yet the Thai concept of privatization differs from the British concept in that "we transfer the businesses to be completely managed by capitalists." Workers will not be allowed to participate. The World Bank has gone further than that.

The suggestions from the World Bank concluded that a "gradual decrease in workers' influence in state enterprises will result in a decrease in capital investment." This strategy will definitely face resistance from Thai state-enterprise workers.

12781/12951  
CSO: 4207/67

COLUMNIST SEES COMMUNISTS AS GOOD BUDDHISTS

Bangkok SIAM RAT in Thai 17 Nov 86 p 10

['Next to the Temple' Column by Prasok: "Anti-Communist Law"]

[Excerpts] Readers please see the accompanying pictures which support today's story. The person who is offering the hands-together gesture of respect is the present district officer of Na Kae who used to be in a red area in Kalasin Province before moving to Chaiyaphum Province and finally to Na Kae District. The other picture shows villagers sitting and listening.

From Phuphan to the Sakon Nakhon intersection, turn left to Na Kae in the Nakhon Phanom area.

I told the villagers that the thing I am happiest about is the peacefulness of Na Kae after several years of unrest. I said, "Brothers and sisters, we are all Thai, why do we want to kill each other...may I talk politics?"

The district officer said, "Please."

I told them that I had gone to Na Duang District when that area was in turmoil, like other Thai border areas, to give ecclesiastical goods to students entering the monkhood. There were villagers and monks to welcome me. I whispered to one of the monks and asked, "Are there those from the jungle here today?" The monk replied, "The one who received a monk's bag from you just a moment ago is one; he came in to participate in this merit-making ceremony because one of his sons is becoming a monk."

Communists have their sons ordained, believe in Buddhism, respect Buddha, Buddha's teachings, and Buddhist monks.

I told the villagers in front of the district officer and the monks of the jungle Temple that I had written on my personal opinions in the "Next to the Temple" column of the SIAM RAT newspaper that the communists had reduced their violence after Mr. Kukrit went to open the bamboo curtain. After that, the Thai government announced some political policies which went beyond the military ones. Before that, I had suggested that the law suppressing communism should be abolished because it caused Thai to kill each other and that a new law should be passed recognizing the status of a political party named the Communist Party.

I told the villagers that there were some people who disagreed, which is all right because people have different ideas. Even now, I believe we should abolish the law on communism for these important reasons:

1. Communism is a political system just as are Thailand's Democrat Party and others. The Democrat Party is not a ghoul or a monster, but rather they have good intentions (although not always successful) for the nation, and so do the communists.

2. Communism, however, is not that wonderful either. Please look at Vietnam and the leader of this 'ism,' the Soviet Union where people are so poor that they have to line up to buy rations of vegetables and fish. What the heck, even our northeasterners are better off than that. If you build walls and gun emplacements, to suppress them you will see the communists as you see a tiger in the jungle or a fish in the water, they look bigger; it is better to see them in the open.

3. Other countries have communist parties. The entire people of a nation should decide how to live and what to have, the minority should not monopolize making these decisions.

4. If you pressure them to go into the jungle, naturally there will be a fight. Phra See Mahatat Temple, Bang Kaen, would always be having funerals for heroes; is that desirable?

Enough, the more that is said, the more complicated it becomes. Permit me to finish this story about Na Kae by saying that the news from the military that the newspapers call "planting the boogeyman" of communism is not good at all.

It hurt, quite a lot, the Thai brothers and sisters who came out of the jungle.

13216/9835  
CSO: 4207/85

EDITORIAL WANTS TIGHTER REIN ON ARMY SECRET FUNDS

Bangkok NAE0 NA in Thai 22 Nov 86 p 3

[Article: "What Are the Secret Funds For?"]

[Text] Cutting 4 million baht from the Defense Ministry's proposed secret fund of 289.8 million baht is not a heroic act on the part of the members of parliament, and we should not be concerned that the military will be unhappy with the politicians; it is a normal duty of members of parliament which has been neglected for a long time.

The two members of parliament who requested that it be recorded that they disagree with cutting the secret funds are Mr Banja Kaysornthong and Mr Prateung Wichanpreecha. They should review their decisions to determine whether their actions are correct or not.

We agree with the originator of the idea to cut the secret funds; Mrs Yenjit Rapipat, a member of parliament, said that it is not due to the pride of the commission, but rather it is to build a better image of the military in the eyes of the people; that is, for them to see that the military does not have more privileges than the other ministries and departments and that every baht and satang of the budget are under the supervision of the representatives of the people.

The secret funds are monies which nobody has touched for decades. During the period when the government had the policy of suppressing communism with force, these funds were large, so large that nobody knew the amounts expended in the time of the revolutionary government.

In the past, there were those who were accused of misusing the nation's assets so that the government had to pass laws to confiscate their property for the state. There was a lot of money in the secret funds which was embezzled from the people. The powerful used the money for their own pleasure without limit, even for sleeping with women.

We admit that the secret funds are necessary, but we want those who have the authority to use these funds to use them properly. Using these monies to buy personal pleasures and to build political power has made the military look bad in the eyes of the people.



The policy of the present government concerning the communists is not as stern as before. The necessity for information and security has been reduced. It is appropriate for the commission to look at the secret funds now.

The Defense Ministry should have clear regulations on disclosing, to parliament, annually, what it needs to use the secret funds for. What we have suggested is that expenditures be classified into two categories; the first category is what can be disclosed and the second category is for those activities which are truly secret.

13217/9738  
CSO: 4207/89

CPV CENTRAL COMMITTEE GREETES COUNTERPARTS

Lebanese Party on Fifth Congress

OW031644 Hanoi VNA in English 1511 GMT 3 Feb 87

[Text] Hanoi, 3 Feb (VNA)--The Communist Party of Vietnam Central Committee has sent its warmest greetings to the fifth congress of the Lebanese Communist Party (LCP).

The congratulatory message says: "The Vietnamese people have followed with sympathy and fully support the current struggle of the Lebanese Communist Party and people. We are confident that your congress will open up new prospects for your party and people's staunch struggle for the independence, democracy, and unity of Lebanon, thereby making an active contribution to the revolution of the Arab nations."

It wishes for the successful implementation of the tasks to be laid down by the congress and for new successes of the Lebanese and other Arab peoples' just struggle for an equitable and durable peace in the Middle East and for national independence and social progress.

"The U.S. imperialists, the Israeli aggressors and other reactionary forces are doomed to failure in face of the iron will and determination of the Lebanese people and their brothers," the message says.

In conclusion, it reiterates the CPV and Vietnamese people's firm determination to promote their militant solidarity and fraternal friendship with the LCP and the Lebanese people in the interests of the revolution in each country and the world as a whole.

Tanzanian Party on Anniversary

OW041739 Hanoi VNA in English 1451 GMT 4 Feb 87

[Text] Hanoi, 4 Feb (VNA)--The Central Committee of the Communist Party of Vietnam today sent its greetings to the Central Committee of Chama Cha Mapinduzi (C.C.M.), the revolutionary party of Tanzania on the occasion of its 10th founding anniversary.

The congratulatory message says: "Under the leadership of the C.C.M., the Tanzanian people, in the spirit of self-support have dauntlessly overcome many trials and aftermaths of colonialism, striving to build a prosperous Tanzania and safeguarding the fruit of revolution."

It highly appreciates the "great contributions of the party to the unity of the front-line countries in their resolute struggle for abolishing the barbarous apartheid in southern Africa."

The message praises the achievements recorded by the Tanzanian people as a source of "great encouragement to the national liberation movement in southern Africa and in the world against imperialism, colonialism, and apartheid, and for peace, national independence, democracy, and social progress."

It wishes the friendship and solidarity of the two parties and people of Vietnam and Tanzania further development.

/9599

CSO: 4200/315

## BRIEFS

TRADE PROTOCOL WITH USSR--Hanoi, 31 Jan (VNA)--A protocol on goods exchange and payment for 1987 between Vietnam and the Soviet Union was signed here on 27 January. Signatories were Foreign Trade Minister Doan Duy Thanh and Soviet Deputy Foreign Trade Minister Y. A. Kozhin. [Text] [Hanoi VNA in English 0726 GMT 31 Jan 87] /9599

GREETINGS TO MOZAMBIQUE'S FRELIMO--Hanoi, 2 Feb (VNA)--The Central Committee of the Communist Party of Vietnam today sent its warmest greetings to the Central Committee of the Mozambique Liberation Front (F.R.E.L.I.M.O.) Party on the occasion of its 10th founding anniversary. The message recalls the major achievements recorded by the Mozambican people under the leadership of the F.R.E.L.I.M.O. Party in national construction and defence. It notes that they have repeatedly defeated the sinister schemes and acts of sabotage of imperialism in collaboration with the South African apartheid regime and other forces of reaction, and gradually laid the groundwork for building socialism in Mozambique. The message wished for still greater success of the Mozambican people in their noble revolutionary cause. It also wishes the militant solidarity, friendship, and cooperation between the two parties, states, and peoples of Vietnam and Mozambique further consolidate and develop. [Text] [Hanoi VNA in English 1456 GMT 2 Feb 87] /9599

EXHIBITION OPENS IN PRAGUE--Hanoi, 3 Feb (VNA)--An exhibition entitled "The Path of Revolution in Vietnam" has opened in Prague on the occasion of the sixth congress of the Communist Party of Vietnam and the CPV's 57th founding anniversary (3 February). The exhibition is organized by the Klement Gottwald Museum in coordination with the Vietnamese Embassy in Czechoslovakia. On display are books, newspapers, photos, paintings, and other documents about the revolution in Vietnam and the achievements recorded by the Vietnamese people in national construction and defence. The exhibition, which will run to the end of this month, devotes a large room to highlighting the multifaceted cooperation and friendship between Vietnam and Czechoslovakia as well as Vietnam's contribution to the common struggle for world peace. [Text] [Hanoi VNA in English 1515 GMT 3 Feb 87] /9599

GREETINGS TO SRI LANKAN LEADERS--Hanoi, 3 Feb (VNA)--President of the State Council Truong Chinh and chairman of the Council of Ministers Pham Van Dong today sent their greetings to President J. R. Jayewardene and Prime Minister R. Premadasa on the 39th National Day of the Democratic Socialist Republic of

Sri Lanka. Also on this occasion, Foreign Minister Nguyen Co Thach has sent a message of greetings to his Ceylonese counterpart, A. C. S. Hameed. [Text] [Hanoi VNA in English 1517 GMT 3 Feb 87] /9599

AUSTRIAN LEADER CONGRATULATED--Hanoi, 4 Feb (VNA)--Chairman of the Council of Ministers Pham Van Dong today extended his warm greetings to Franz Vranitzky on his re-appointment as prime minister of the Republic of Austria. On this occasion, Foreign Minister Nguyen Co Thach has sent his congratulations to Alois Mock, the new Austrian minister for foreign affairs. [Text] [Hanoi VNA in English 1501 GMT 4 Feb 87] /9599

CSO: 4200/315

OFFICIAL REPORT ON SOCIOECONOMIC SITUATION IN THUAN HAI

Hanoi NHAN DAN in Vietnamese 12 Nov 86 p 3

[Article: "Socioeconomic Situation and Tasks of CPV Organizations in Thuan Hai Province"]

[Text] The report of the Thuan Hai CPV Committee to the Fourth Provincial Party Congress assessed the local socioeconomic situation as follows:

In the past 3 years, under the leadership of party organizations at various levels, the military and people in the province have bent over backward to gain achievements and advances in many fields.

On the agricultural production battlefield, the party has resolutely led the province to practice intensive farming, apply technical measures, especially to improve rice varieties, and boost rice yields rather rapidly and over large areas, markedly increasing grain production in the process (an average of 3.52 percent per year, in contrast with 3.1 percent in the 1976-80 period). Likewise, other crops have increased. The value of short- and long-term cash crops has shot up from 8.3 percent (1980) to 20.2 percent (1985). In animal husbandry, the cattle population has exceeded official norms.

The marine product sector has halted the decline in fishing capabilities, adding about 1,000 horsepower a year, and especially making more hand tools. The exploitation and processing of marine products for export have also gained ground.

In forestry, initial headway in growing forests has been noted, mostly in the development of protective forests in coastal areas.

In-depth investments by industry have boosted production, introducing new commodities to meet consumer, construction, and therapeutic needs. Small industries and handicrafts have also pressed ahead with more goods for export and more jobs for laborers.

The communications and transportation sector has gone out of its way to build new bridges and roads and improve waterway transportation capabilities. In capital construction, the production of building materials has increased, allowing the province to build more and assemble more and allowing planning and building skills to mature.

In the past several years, provincial party organizations have paid more attention to distributing manpower and solving the unemployment problem.

The effort to research and apply scientific and technical advances to production has achieved some results, the most impressive of which is the creation of new hybrid rice varieties. Initial accomplishments have taken place in ameliorating the techniques of fishing, breeding, and producing building materials. A shortcoming is that the building of the internal structure of various production sectors has not been correctly guided.

In agriculture, subsidiary food crops continued to be slighted, resulting in an irrational grain structure, slow progress in animal husbandry, a decrease in the pig population, and the sluggish growth of river fish production. Cash crops--either short-term (sugarcane and cotton) or long-term (cashews and coconuts)--and export crops (peanuts and sesame) have developed but have still failed to attain norms and measure up to requirements and expectations. The guidance to build material bases and apply scientific and technical advances to agriculture was flawed. A similar situation prevailed in forestry--improper management, exploitation, and utilization of forestry resources--while the guided assignation of land and forests to growers was still unrealistic. The marine product sector has overlooked fish breeding and demersal fishing and has dragged its feet on upgrading fishing methods and processing techniques.

Industry and small industry and handicrafts have paid no attention to developing the processing industry and the production of consumer and export goods. Industry in support of agricultural, forestry, and fishery production are still weak (mechanical repairs and energy supply). Other deficiencies include the failure to create a local source of raw materials (cotton, sugarcane, and coconuts), to use existing abundant supplies and raw materials (salt, kaolin, wood complete with branches and stalks, rattan, and leafy bamboo) in making consumer and export goods, to invest adequately in developing small industry and handicrafts, and to pull the collective and family sectors vigorously toward small-industry and handicraft production.

Implementing the resolution of the Eighth Plenum of the CPV Central Committee, the provincial party committee has focused on rearranging and developing production, restructuring production costs, strengthening socialist commerce, intensifying private trade transformation and market management, and trimming employment rolls. Aware that the key to price stabilization is to control goods and money, the committee has mindfully guided a movement to invest in production to control agricultural and marine products through two-way economic contracts.

The committee has strengthened socialist commerce by rearranging its organization, reassigning cadres, renovating the business methods of state commerce and marketing cooperatives, taking a firm hold of supplies and goods, energetically transforming and managing the market, fighting speculation and smuggling, and reorganizing small trade and the private service business.

Currently, unrealistic contracts still exist. Contract enforcement has been neither strict nor prompt. Although it is being consolidated and expanded,

socialist commerce is still weak and is slow in overcoming negative phenomena and renovating its business formulas and customer relationships.

In price guidance, there has been an effort to comply strictly with central regulations on prices; however, that effort occasionally lacked flexibility. Pricing decisions were at times inaccurate and often untimely, adversely affecting commodity production and circulation.

The policy of investing in export production was not vigorous. Substantial losses and illegal diversions of export merchandise still occurred due to a failure to control goods at their origins. And the practice of competitive purchases was not yet thwarted.

Flabby banking and financial work has given rise to numerous defaults. Its effort to serve production and business was not truly flexible and prompt; worse still, it was at times stringent and irrational.

In implementing the principle of democratic centralism in economic management, a shortcoming has occurred, mixing bureaucratic centralism with capricious and disorderly decentralization.

A general look at the production forces shows that the material and technical bases of the collective production sector have developed and that their managerial skills have improved--despite an imbalance. There is concern, however, about an inadequate interest in building and developing the state's economic forces in various national economic sectors. The weakest spot is the marine product sector, where material and technical bases, labor productivity, production efficiency, and manpower under state control have experienced slow progress. The family economy, as a component of the socialist economy, has received no attention. Industry and trade transformation and market management were deficient. The transformation of private trade and service business was kept apart from production reorganization and labor redistribution. Some commodities which were targeted for improvement to replace imports were scarce and the naive and impatient manner in which they were conceived led to adverse effects.

In the coming years, the province should carry out the following general tasks:

Grasping the double strategic need for national building and defense, it should strive to strengthen the leadership of CPV organizations; make administrative management more efficient; help the laboring people achieve truly collective mastery; launch simultaneously three revolutions; speed up production, circulation, and distribution; rearrange production; redistribute labor; create jobs; and control the marketplace. It should bring socialist transformation to completion and refine step by step the new production relationships in conjunction with developing scientific and technical work and building the material and technical bases of socialism; renovate managerial work; eliminate the system of state subsidies and bureaucratic centralism; and resolutely switch to the system of economic accounting and socialist business. In light of the concept of self-reliance, the province should coordinate with central assistance to move its economy, gradually but steadily, from small-scale



production to socialist production; establish a common economic structure for the entire province in which agriculture takes the lead and fishery serves as a thrust; accelerate the processing, consumer, and export industries; and develop the sectors of electricity, engineering, building materials, and communications and transportation, seeking to create a new balance and a new high-yield production force that will raise living standards and help the province meet its obligations toward the central government. It should expand education, culture, public health, and social work; bend over backward to build a people's national defense and people's security network; make the people's armed forces clean, stable, strong, and combat ready; strengthen its cooperation with Hoang Lien Son Province; and provide adequate assistance to the sister province of Preh Vihar.

Along these lines, the province should strive to attain the main goals of its 1986-90 socioeconomic plan, as follows:

1. Develop production comprehensively. Average annual growth rates should be: 8.5 percent for the total social product, 7.8 percent for national production revenue, 12.2 percent for industrial production value, and 8 percent for agriculture.

Exports should generate 30 million dong (in foreign currency).

- About grain and foodstuffs: By 1990, average per-capita production should be: grain, 316 kg; fresh fish, 86 kg; fish sauce, 21.5 liters; pork (live weight), 13 kg; and sugar, 12 kg.

- About clothing: Strive to achieve an annual average per-capita production of 6 meters of various kinds of fabric.

- About education: Provide enough schools, classrooms, furniture, supplies, and teachers so that one out of four citizens can go to school. Ensure enrollment for 50 percent of kindergarten-age children and 30 percent of day nursery-age children. Average per-capita supply of paper should reach 1 kg a year.

- About treatment of diseases: Widely develop medicinal crops, import more necessary chemicals, produce enough drugs for local consumption--60 dong worth of drugs for each citizen per year--and ensure that each group of 10,000 people be served by 32 hospital beds, 2 doctors, and 2 high-class pharmacists.

- About travel: Strive to supply more bicycles to the people, and consolidate and expand the communications network, especially in key areas.

- About housing: Build more tile-roof houses in the countryside. In the cities and coastal areas, address the lack of sanitation, gradually solve the drinking water problem, and build more housing at a fast pace.

2. Implementing the motto, "State and People Working Together," practice consumer thriftiness and increase the accumulation of capital to build the material and technical bases of socialism.

Strive to establish a state budget that is equal to 25 percent of the national revenue and set aside 40 percent of that budget for capital construction.

3. Complete socialist transformation and step by step refine the new production relationships.

4. Step by step build the new society and the new socialist man.

5. Build a national people's defense and security network and strong armed forces.

6. Continue the proselytizing movement to fortify CPV organizations.

Strengthen planning and training to put together a uniformly strong contingent of cadres--leadership, state management, socioeconomic management, and technical and vocational affairs. Refine the administration's managerial skills at various levels and make them more efficient, strengthen mass organizations and improve their performances, and accelerate the movement aimed at stimulating the masses to implement more effectively the concept by which "the party leads, the laboring people master, and the state manages."

The economic sectors should carry out the following tasks:

Rearrange and develop the production sectors.

- About agriculture: To develop agriculture comprehensively, the province should establish a broad association between agriculture, industry, and exportation, seeing it as a basis for the growth of the economy in general and the entire agricultural sector in particular. On the one hand, it should foster to a high degree the spirit of autonomy and self-reliance in agriculture and among the peasants in achieving collective mastery. On the other, it should direct all sectors of industry, communications and transportation, and scientific services, and establish policies, material means, and guidance and coordination activities to concentrate on meeting the essential needs of agriculture, the foremost battlefield.

In the coming years, the province should steer agriculture toward concentrated intensive farming and multicropping, set up specialized cultivation zones in conjunction with expanding general business, and steadily produce more grain and foodstuffs, more raw materials for the processing industry, and more agricultural products for export.

- About grain: Practice intensive cultivation of both rice and subsidiary food crops and overcome a decrease in subsidiary food crops, which has taken place in the past few years. Strive to gather 380,000 tons (including 100,000 tons of subsidiary food crops) by 1990.

Rapidly establish specialized cultivation zones for short- and long-term cash crops, with a focus on export crops, and expand cotton cultivation.

Direct the three state, collective, and family forces--especially cooperatives and households--to plant 1,000 hectares of mulberry for silkworm raising; cooperate with the Bao Loc Sericultural Center and the Federation of Weaving Mills to complete the construction of a raw silk factory; and pay attention to growing other fiber crops, such as jute and ananas comosus; and rush to serve the sack and mat industry. In the next several years, to contribute to capital accumulation the province should continue to develop the tobacco crop to a measured extent, grow more yellow-texture tobacco, introduce new varieties, and rapidly raise productivity to attain 8,000 tons. Speed up sugarcane planting to cater to the people's sugar need. Concentrated sugarcane areas in the north of the province should supply an adequate amount of raw material to the Thap Cham sugar factory.

- About oleaginous crops: Grow oleaginous crops to meet the demands of the processing and export industries. Make comprehensive investments--ranging the gamut from selecting varieties, fertilizer, and insecticide to pricing and purchasing--in large specialized-cultivation zones, striving to produce 8,000 tons of peanuts and 3,500 tons of sesame. Through extensive reclamation of sandy coastal areas, association between agriculture and forestry, and appropriate policies, the province should develop long-term oleaginous cash crops, opening more state farms and encouraging cooperatives and individual households to plant coconuts, cashews, rubber, and peppers as much as possible.

In cashew planting, organize test farms to determine the suitability of land, varieties, insecticides, and fertilizers. At present, strengthen, nurse, and harvest existing successful cashew areas and grow more cashews on proper land, striving to cultivate 10,000 hectares. Encourage the state, collective, and family sectors--especially the latter--to plant coconuts where conditions permit and consider assigning 1-2 hectares of land to each household for that purpose. In the coastal districts from Tuy Phong southward, set up state farms to plant 5,000 hectares of coconuts for oil extraction by 1990. Continue to develop rubber trees in Duc Linh, planting an average of 500 hectares per year to reach a total of 3,000 hectares. Plant 3,000 hectares of palm trees. About food crops, strongly develop various kinds of beans, especially green beans and lablab vulgaris. Together with the central government, invest comprehensively in green onions and garlic, striving to export 10,000 tons of onions and 1,000 tons of chili.

We must build a specialized vegetable cultivation zone in tow cities.

Gradually turn animal husbandry into a main production sector, contributing to increasing draft power, fertilizer, and food production. Open a chicken-breeding farm in Phan Thiet and a pig-breeding farm in the southern districts. Rapidly increase the cattle population in the state, collective, and family sectors, and encourage the delta and highland to cooperate in animal husbandry.

A main task of forestry in the coming years is to grow more forests, rapidly covering bare hills and untilled land with green foliage, effectively thwarting brush fires, preventing forests from being destroyed, nursing, safeguarding, and turning forests into a form of national capital, and accelerating the production of forestry goods. This is an extremely urgent task in light of the province's natural characteristics.

Collect experiences from pilot centers and issue realistic policies on distributing land and forests to collectives and households for exploitation. Plans reflecting the concept of association between agriculture and forestry should be made to involve all qualifying cooperatives in the forestry business--first of all, cooperatives in the highland and sandy coastal areas. Launch a vital, widespread, and highly profitable people's movement to plant trees.

Fishing is an economic plus for the province. In the coming years, the province should invest extensively and consistently in five seacoast economic areas.

Strive by 1990 to catch 100,000 tons of marine products of various kinds and turn out 27 million liters of fish sauce a year.

- About fish breeding: Actively bring to completion a program on artificial shrimp breeding, and rapidly expand brackish-water shrimp breeding in all suitable areas.

Build a fishing port in Phan Thiet and keep surveying marine resources, mostly in the Phy Quy Island areas.

- About industry and small industry and handicrafts: Continue to reorganize and rearrange industry and small industry and handicrafts, invest extensively in their development, and supply more energy to day and night shifts in nearly all installations. Accelerate production of consumer goods, ensuring that those which we are in a position to produce are not scarce. Vigorously develop the processing industry with a focus on export goods, paying utmost attention to the sack industry, gradually overcoming difficulties in electric power supply, rearranging the mechanical sector, and developing the production of building materials and chemicals.

Enlarge and refine the Ca Na saltern, make plans for building the Dam Vua saltern, and take steps to build the Vinh Hao saltern, and expand table salt production to reach 150,000 tons (and 100,000 tons of industrial salt). Put into commission a shop which makes chemicals from salt water left over from the salt-making process. Consolidate the Vinh Hao spring water factory by installing new production lines and expanding algae production, and make preparations for fruit juice production.

- About sugar: Adequately supply raw materials to the Thap Cham sugar factory to enable it to operate at full capacity, build additional sugarcane pressing installations with a daily capacity of 50 tons in some southern districts, and strive to turn out 14,000 tons of sugar.

Put the oil-pressing factory into commission in 1987 with a view to producing 1,200 tons of oil by 1990. Consolidate and enlarge the soap factory.

Continue to invest steadily in the paper industry to raise the quality of paper. Build two smaller paper factories in Tanh Linh and Ham Thuan Bac with a production goal of 1,000 tons.

Improve the technique of ceramicware production and strive to turn out 2 million items a year. Accelerate the cooperation program with Czechoslovakia on building a glassware factory.

Develop plastic and rubber wares.

Build two weaving centers in Phan Rang and Phan Thiet and involve all three state, collective, and family sectors in production. With some imported raw materials and homegrown cotton, strive to weave 6 million meters of fabric. Introduce additional knitting equipment to create jobs. Study ways to process jute.

Build a cigarette factory capable of turning out 100 million packs a year.

Strongly develop handicraft exports to be made from local raw materials. Accelerate the building of the Dang Sach hydroelectric power station so that it can be put into commission in 1988, and build other smaller hydroelectric power projects in places where conditions exist.

Rearrange the mechanical sector.

Strongly develop nonbaked materials (split-tone and hearth stone), enlarge the Phan Thiet and Tan Lap brick factories, and build a porcelain enamel factory, a factory to exploit and cut stones for export, and a brick-and-tile factory in each district to make about 3 million pieces a year.

- About communications, transportation, and postal services: All three provincial, district, and village levels should band together to mobilize capital, supplies, and manpower to build new facilities and repair and maintain existing ones, striving to put in place by 1990 the basic infrastructure of the communications network with a focus on coastal and mountain roads and those in key economic areas, and to ensure smooth support for production, living standards, security, and national defense.

- About capital construction: Review the capital construction program to make it suitable to planning and to building the new economic structure in all sites and sectors. Strictly manage capital construction, striving to raise construction quality and avoid waste and losses.

Give priority to key projects, including the River Quao Lake, the Dang Sach hydroelectric power station, the Phan Thiet fishing port, installations to process agricultural and marine products for export, and factories to process agricultural products and consumer goods, medium-tension lines, roads, and warehouses.

- About exportation, importation, and tourist business: Invest mindfully and appropriately in exploiting, breeding, and processing marine products for export (refrigerating installations, ice-making installations, and technical equipment) to make new commodities and raise product quality.

The export-import sector should coordinate with agriculture to study the feasibility of an uninterrupted production line from planning and intensive farming techniques to purchasing and processing, and set up some zones specializing in growing agricultural products for export: peanuts, sesame, onions, chili, green beans, ricinus communis, etc. Build a meat refrigerating factory for export purposes.

Fully use local agricultural, forestry, and marine products, and accelerate the production of handicrafts for export, striving to earn 30 million dong (in foreign currency) by 1990.

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## BRIEFS

NEZ RECEIVES NEW ARRIVALS--During the first 10 days of December 1986, Da Te and Cat Tien Districts of Lam Dong Province welcomed 250 new families, with nearly 1,000 persons, coming from Nghia Binh and Ha Nam Ninh Provinces to build the new economic zone. This is the start of the Lam Dong Province plan to receive 5,000 new families, with 20,000 persons during the period from December 1986 to March 1987. Prior to receiving the people from the neighboring provinces, the two districts worked closely together in a variety of activities, from signing contracts with originating provinces to receive persons, to preparing land for residential areas and production areas, constructing wasteland reclamation, communications routes, establishing collective production units, and mobilizing the local population to coordinate efforts and help new people start production immediately and stabilize life. [Text] [Hanoi QUAN DOI NHAN DAN in Vietnamese 30 Dec 86 p 3] 9830

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## PAPER REPORTS ON SMALL-SCALE INDUSTRY, HANDICRAFTS

Hanoi VIETNAM COURIER in English No 11, 1986 pp 11-13

[Excerpt] Twenty-five years ago, in 1961, the first national congress of handicrafts was held in Hanoi to set up the CUSIHC with a membership totaling 579,000, i.e., half the number of artisans in north Vietnam at that time. In the last ten years following national reunification this number has increased to over 1,600,000 excluding the seasonal farmer-craftsmen and auxiliary workers (old people and children working in the households of craftsmen).

In 1976 the total output value of small-scale industry and handicrafts was 2.5 billion (thousand million) dong (constant 1976 prices). In 1985 it rose to 45 billion dong (constant 1982 prices). At present handicrafts account for 45% of total industrial production in the country (70% of local industry), and 20% of the total value of exports.

Today handicrafts produce about 30,000 items for home consumption and for export. Of them 812 have won distinctions at home and abroad: 318 gold medals, 342 silver medals and 152 bronze medals at national and international fairs.

Our achievements in this field in the past 25 years cannot be dissociated from the precious assistance and cooperation of the socialist countries.

Hungary and the GDR have equipped Vietnam with workshops for furniture, garment, chinaware, and glassware making.

Starting in 1968, at the invitation of cooperatives in brother countries, the CUSIHC has sent delegations to East European countries to sign cooperation agreements, mainly for training managerial cadres and skilled workers. Since 1970, Czechoslovakia has been training each year 25-50 Vietnamese cadres and workers in such lines as glassware, engineering, metal plating, cabinet making, management.

In 1973, a delegation of the CUSIHC attended for the first time a conference of unions of cooperatives in Moscow and signed a cooperation protocol with the Union of Soviet buying and selling cooperatives. Vietnamese cadres have later been sent to study at the Soviet College of Cooperatives.



In 1974, a CUSIHC delegation visited Hungary and Romania for exchanges of experience. Since 1975, in the capacity of observers, CUSIHC delegations have been attending meetings of the Conference of Presidents of Handicraft Cooperative Unions of Socialist Countries, a member of the Council for Mutual Economic Assistance.

In 1980, Vietnam became a member of the Federation of Handicraft Cooperative Union of Socialist Countries.

Since 1981, Bulgaria has been training ten Vietnamese cooperative managerial cadres each year at Karl Marx University, while batches of 5-10 Vietnamese managers have been trained at crash courses in Hungary.

At present the CUSIHC has signed agreements of cooperation for the next 5 years (1986-1990) with Czechoslovakia, Hungary, Poland and Cuba. Besides, Hungary and Poland will supply us with new equipment.

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CSO: 4200/323

## HANOI BUILDS ON EFFORTS TO RESOLVE LIFE, LABOR ISSUES

Hanoi QUAN DOI NHAN DAN in Vietnamese 29 Dec 86 p 3

[Article by Viet An: "Life, Labor--Two Key Issues of the Capital for the Immediate Future"]

[Text] Daily life and labor are always issues that strongly influence the process of socioeconomic development and efforts to secure and defend Hanoi. Over the past 5 years, new results were achieved in efforts to resolve problems of daily life and labor in the capital, in spite of challenges posed by a weak economy, the effects of shortcomings in the implementation of the price, wage, and money policy, and requirements to ensure political security, social safety, and national defense.

Worthy of note is an increased capability for satisfying the needs of daily life from local sources of production. This includes an average 8 percent annual increase in the output of grain. Comparing 1985 with 1981, the amount of grain mobilized for the state doubled; the output of cigarettes and peanuts tripled, the output of pork increased by 33 percent, and the number of cattle doubled. Over the past 5 years 450,000 square meters of housing were built, 155,000 of which were built during 1985 alone, the highest rate of increase ever achieved. The low-voltage electricity network and water supply system are on the way to improvement. Consumer goods have generally increased within the pace of industrial development and the development of small industry and handicrafts; there was an average 10.5 percent annual increase in goods, an improvement in quality of such merchandise as bicycles and electric fans, and a renovation of product structure. Over the years from 1981 to 1985, we resolved labor problems and enabled 242,577 persons to participate in work/study programs at vocational middle schools and colleges; of these, 138,974 were accepted for employment in collective economic, small industry and handicrafts, and service installations and in construction, coal mining, and afforestation projects. The city formulated resolutions that provided concrete guidance for finding jobs for workers, especially young people. Through many methods and in many forms, wards and subwards found jobs locally by rehabilitating and developing traditional trades, expanding joint and combined endeavors with state-operated production and service establishments and small industry and handicrafts cooperatives.

These results signify a change in Hanoi's efforts to improve daily life and provide jobs. Realistically considered, however, there are still many problems in both these areas. The situation with living conditions for working people is becoming more desperate. There is a constant decline in the standard of living of the real, wage-earning worker; problems of daily life have increased for cadres, workers, civil servants, and members of the Armed Forces; farmers are encountering hardships in daily life, especially in areas hit by natural disaster, with consumer goods and building materials not being given sufficient attention, and with shortages existing, sometimes even in essential goods. The cultural and spiritual life of workers is still poor, with the material and technical base of the socio-cultural sector falling short of demand. There is a housing shortage; housing is crowded; there are shortages in improved communications, electricity, and water; and low standards are maintained in city management--the city is still not being kept clean and beautiful. One frightening thing is that, in this situation, opportunists living on ill-gotten gains, collaborators, and embezzlers of public goods get rich quick and have an adverse influence on labor productivity and discipline, and at the same time an adverse influence on social order. While there are still large capacities in machinery and equipment and big potential in raw materials and supplies, tens of thousands of workers coming to maturity still have no work. The capability for finding jobs for secondary school graduates is still very limited at all levels, with tens of thousands of students reaching working age each year.

There are many causes, subjective and objective, of this situation, but the main ones are slow development of production, low standards of quality and effectiveness, multiple limitations in circulation and distribution, and lack of uniformity in efforts to find employment for workers. It is easy to see that emphasis has not been placed on the effective exploitation of production potential and capabilities. In industry, there are still few key, representative products, the processing of agricultural products has developed poorly, and rural and urban development of small industry and handicrafts has been slow. Centralized industry accounts for a large share of production, but efforts to divide it up and disperse it geographically have been slow to develop. In agriculture, the formation of specialized zones has been slow, the level of intensive cultivation is still low, agricultural products still account for a small percentage of total output, and crop yields are still low in many places. With some products, such as vegetables and fish, there has been a decrease in production volume and amounts sold to the state. Collective hog raising has not yet been successfully rehabilitated. The number of hogs and chickens raised on state farms amount to only 10-20 percent of the programmed capacity of pens and coups. There has been a decrease of 3,000 hectares of fallow land and 1,000 hectares of cultivated land a year, 6,500 hectares of hillside land capable of supporting industrial crops have not been put to use yet, the coefficient of land use is only 1.9, and the winter crop occupies only 14 percent of the cultivated area. There are still many urgent problems with circulation and distribution: the state does not have control of the majority of goods; poor results have been achieved in market management and reform efforts, the incidence of smuggling and blackmarketeering has increased, and increased shortcomings have been noted in the trade network. Many state trade organizations have not been reasonably organized, with specialty shops being emphasized at the expense of

establishments where common people eat and drink. There are many marketing and service cooperatives, but they tend to be devoted to food and consumer goods, are not managed well, and are exploited by private merchants.

In reference to finding jobs for workers, in addition to such contributing factors as rapid population growth, and poor population management, with an average 46,000 persons moving in from the provinces annually, there is the problem of inadequate education from the worker's viewpoint, economic and administrative measures are insufficiently effective, and labor division and distribution are still limited.

A new era is coming for Hanoi, occasioning a need for true changes in knowledge and methods of operation, organization, and cadres at all levels, in all sectors, and in all operational areas. The resolution of the recently held 10th Hanoi Party Congress clearly held that to find work for tens of thousands of workers and provide for urgent daily needs are the two most crucial issues which, if handled correctly, will create strong dynamics for achieving the goals set for the immediate future. Every effort is being concentrated [on these issues] and implementation is being organized, and at the root of the issue is establishing a rational economic structure. The aim is better exploitation of all available capability and potential. At the same time, there are problems of renovating management, perfecting and upholding the quality of socialist production relations, continuing to improve socialism, and promoting national defense, security, and order.

It is also a fact that only now there exists a capability to stabilize and improve life for workers over the next few years. Therefore, we must also concentrate on pushing production, especially of agricultural products and consumer goods. The goals set for 1990 are production volumes of 500,000 tons of grain in paddy equivalents, 150,000 tons of green vegetables, 50,000 tons of pork, and 1,000 tons of industrial chicken and 20 million eggs. One thousand tons of beef and buffalo meat can be purchased annually, along with 3,000 tons of fish, 7,000 tons of soybeans, and 10,000 tons of peanuts. This is in conjunction with expanding joint and combined forms of operation with other localities in order to increase sources of food. And yet, simultaneous with efforts to create food sources, we must emphasize distribution and income in keeping with socialist principles, rehabilitating rational relations for income among the various people's levels in combination with reforming and managing the market, strictly maintaining price discipline, properly organizing the supply of food to workers, civil servants, cadres, and members of the Armed Forces and the people, and getting essential goods to the worker. It is important to concentrate on basically resolving the issue of each person receiving food according to his needs, processing food, and organizing meals along industrial lines. In addition to developing consumer goods, investment priority must be placed on building infrastructure in dozens of new construction projects, repairing and renovating buildings presently available.

Resolving the issue of finding jobs for workers will become a synchronized project with goals. Within it, finding jobs for persons of working age will be emphasized along these main thrusts: production installations and task administration units will have plans for the annual renewal of the labor force; new work places will be created by expanding and developing domestic

and export trades and services; labor will be moved to new economic zones. At the same time, family planning will be implemented and population management increased.

The past few years have been a testing period for the party organization and people of Hanoi. With lofty efforts on the part of the working class and working people of the capital, changes were made in the betterment and construction of the city, creating conditions necessary for new steps in development. Building Hanoi into a proper capital for the state is a collective task requiring contributions from all central sectors and levels and assistance from all localities in order to advance the construction and protection of the capital in the new era.

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BIOGRAPHIC

VIETNAM

INFORMATION ON VIETNAMESE PERSONALITIES

[The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisked job title indicates that this is the first known press reference to this individual functioning in this capacity.]

Nguyễn Công Ái [NGUYEENX COONG AIS]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Nguyễn An [NGUYEENX AN]

\*Deputy Commander, 2nd Military Region; on 19 Dec 86 he accepted gifts from the Ho Chi Minh Communist Youth Union to his troops. (QUAN DOI NHAN DAN 21 Dec 86 p 1)

Nguyễn Ngọc Ân [NGUYEENX NGOCJ AANR]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 she was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Cù Đình Bá [CUF DINHF BAS]

\*SRV Ambassador to the FRG; on 13, 14 Sep 86 he attended a conference of Vietnamese in the FRG. (Ho Chi Minh City SAIGON GIAI PHONG 5 Nov 86 p 4)

Trần Xuân Bách [TRAANF XUAAN BACHS]

Secretary of the CPV Central Committee; on 14 Dec 86 he welcomed the Soviet Delegation to the 6th Party Congress. (NHAN DAN 15 Dec 86 p 4)

Mai Văn Bảy [NGUYEENX VAWN BAYR]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Lê Khắc Bình [LEE KHAWCS BINHF]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Nguyễn Cát Bình [NGUYEENX CATS BINHF]

Head of the Labor and Wages Department, Ministry of Communications and Transportation. His article about labor appeared in the cited source. (GIAO THONG VAN TAI 20 Nov 86 p 1)

Hoàng Duy Bồng [HOANGF ZUY BOONG], Colonel, deceased

Born in 1948 at Trung Kanh Village, Gia Luong District, Ha Bac Province; Member of the CPV; Cadre in the Tactics Department, General Staff, VPA; he died suddenly on 21 Nov 86 at the 108th Military Hospital. (QUAN DOI NHAN DAN 22 Nov 86 p 4)

Nguyễn Chanh [NGUYEENX CHANHS]

Head of the Rear Services General Department; on 26 Nov 86 he attended a meeting with a Soviet military delegation. (NHAN DAN 30 Nov 86 p 1)

Lê Thành Công [LEE THANHF COONG]

Vice Minister of Culture; his interview on the 30th anniversary of the Hanoi Library appeared in the cited sources. (HANOI MOI 22 Nov 86 p 2)

Võ Văn Cường [VOX VAWN CUWOWNG]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Trần Việt Chy [TRAANF VIEETJ CHI]

\*Head of the Cultivation Department, Ministry of Agriculture; his article on increasing fruit plants appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 8)

Nguyễn Võ Danh [NGUYEENX VOX ZANH]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

\*Ngô Thế Dân [NGOO THEES ZAAAN]

Deputy Head of the Vietnam Agricultural Science and Technology Institute; his article about beans appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 9)

Lê Doãn Diên [LEE ZOANX ZIEEN]

Deputy Head of the Vietnam Agricultural Science and Technology Institute; his article "Increase the Nutritional Quality of Food Crops" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 6)

Trần Hữu Duyệt [TRAANF HUWUX ZUYEETJ], deceased

Born in 1906 at Cam Nhung Village, Cam Xuyen District, Nghe Tinh Province; Member of the CPV since 1930; he served as Secretary of the CPV Committee, Ha Tinh Province; Member of the 4th Region CPV Committee; Secretary of the CPV Committee and Chairman of the Resistance and Administrative Committee, Thanh Hoa Province; Director of the 4th Interregion Commercial Service; Member of the CPV Party Fraction and Chief of Cabinet of the Ministry of Foreign Trade; Deputy Head of the CPV Central Committee Front Department; Member of the Presidium and General Secretary of the Vietnam Fatherland Front; Head of the Religion Department in the Office of the Prime Minister; he died on 29 Nov 86 following an illness. (HANOI MOI 30 Nov 86 p 1)

Nguyễn Đăng [NGUYEENX DAWNG]

Acting Chairman of the Economics, Planning and Budget Committee of the National Assembly; on 26 Dec 86 he was a speaker at a general session of the National Assembly. (QUAN DOI NHAN DAN 27 Dec 86 p 1)

Nguyễn Diên [NGUYEENX DIEENF]

Head of the Agricultural Implements and Mechanization Institute; his article "Machinery and Agricultural Mechanization" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 14)

Huỳnh Trung Đông [HUYNHF TRUNG DOONGF]

Chairman of the Association of Vietnamese in France; on 19 Nov 86 he read a Statement at a meeting of overseas Vietnamese in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 20 Nov 86 p 1)

Trần Thái Hà [TRANF THAIS HAF]

Deputy Secretary of the Tay Ninh Provincial Ho Chi Minh Communist Youth Union; his article about the "Dau Tieng" project of his group appeared in the cited source. (THANH NIEN Aug 86 p 16)

Nguyễn Văn Hanh [NGUYEENX VAWN HANH], Professor

\*Head of College of Agriculture and Forestry; his article about applying scientific technology in animal husbandry in Southern provinces appeared in the source. (NONG NGHIEP 5 Dec 86 p 13)



Nguyễn Văn Hanh [NGUYEENX VAWN HANH]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Nguyễn Văn Hiệu [NGUYEENX VAWN HIEEUJ]

Director of the Vietnam Institutes of Science; on 27 Nov 86 he attended the exhibition on space shuttle 37 and space flights. (NHAN DAN 28 Nov 86 p 1)

Trương Mỹ Hoa [TRUWOWNG MYX HOA]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 she was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Vũ Tuyền Hoàng [VUX TUYEEN HOANGF], PhD

Head of the Grain and Food Plants Institute, Ministry of Agriculture; his article "Solving Food Problem" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 4)

Trần Hợp [TRAANF HOWPJ] aka Trần Đình Hành [TRAANF DINHF HANHF], deceased

Born on 1 Sep 1921 at Nai Cuu Hamlet, Trieu Vinh Village, Trieu Hai District, Binh Tri Thien Province; Member of the CPV; former Member of the CPV Committee, Quang Binh Province; former Deputy Chief of the General Department of the CPV Central Committee Organization Department; former Head of the Industrial Statistics Department of the Statistics General Department; he retired in Sep 81; he died on 23 Nov 86 at the Vietnam-Soviet Friendship Hospital following an illness. (HANOI MOI 25 Nov 86 p 4)

Nguyễn Hộ [NGUYEENX HOOJ]

Chairman of the Fatherland Front Committee, Ho Chi Minh City; recently he attended a conference to commemorate the 3rd anniversary of the Solidarity Committee of Patriotic Vietnamese Catholics. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

\*Tô Sĩ Hồng [TOO SIX HOONGF]

Head of the Agriculture Department of the CPV Committee, An Giang Province; his article about production groups in An Giang Province appeared in the cited source. (NONG NGHIEP 25 Dec 86 p 5)

Phạm Văn Hùng [PHAMJ VAWN HUNGF]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Vũ Quốc Hùng [VUX QUOCS HUNGF]

Secretary of the Central Committee of the Ho Chi Minh Communist Youth Union; on 12 Nov 86 he attended the 50th anniversary of the mine workers. (TIEN PHONG 18-14 Nov 86 p 1)

Bùi Văn Ích [BUIF VAWN ICHS]

Head of the Plant Protection Department, Ministry of Agriculture; his article "Improve Plant Protection" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 9)

Lê Văn Lai [LEE VAWN LAI]

\*Head of the Technical Equipment and Agricultural Mechanization General Department, Ministry of Agriculture; his article about increasing the effect of agricultural mechanization in food production appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 14)

Nguyễn Văn Lâm [NGUYEENX VAWN LAAM]

\*Editor in Chief of the Communication and Transportation newspaper GIAO THONG VAN TAI; on 18 Nov 86 he attended a soccer tournament in Hai Duong. (GIAO THONG VAN TAI 20 Nov 86 p 8)

Đinh Nho Liêm [DINH NHO LIEEM]

Member of the CPV Central Committee; SRV Ambassador to Russia; on 14 Dec 86 he welcomed the Soviet delegation to the 6th Party Congress. (NHAN DAN 15 Dec 86 p 4)

Chu Mạnh [CHU MANHJ]

\*Vice Minister of Agriculture; his article about the resolutions to develop industrial crops appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 8)

Lê Mai [LEE MAI]

\*SRV Ambassador Extraordinary and Plenipotentiary to Thailand; on 27 Nov 86 he presented his credentials to the King of Thailand. (NHAN DAN 29 Nov 86 p 4)

Nguyễn Xuân Miên [NGUYEENX XUAAN MIEEN], Colonel, deceased

Born in 1923 at Vinh Thanh Village, Yen Thanh District, Nghe Tinh Province; former Head of the Rear Services and Technical School, 4th Military Region; Member of the CPV; he was in retirement at the time of his death on 14 Nov 86 at the 4th Military Hospital. (QUAN DOI NHAN DAN 22 Nov 86 p 4)

Nguyễn Thanh Ngà [NGUYEENX THANH NGAF]

\*Head of the Water Conservancy Research Institute; his article "Farmland Water Conservancy Problems in Increasing the Quantity of Grains" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 7)

Nguyễn Vĩnh Nghiệp [NGUYEENX VINHX NGHIEEPJ]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Trần Xuân Nhòn [TRAANF XUAAN NHOWN]

Head of Seaways General Department, Ministry of Communications and Transportation; his article on exploiting seaways transportation appeared in the cited source. (GIAO THONG VAN TAI 13 Nov 86 p 5)

Phan Phái [PHAN PHAIS]

\*Director of the Genetics Research Center, Ministry of Agriculture; his article about genetics appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 15)

Trần Văn Phú [TRAANF VAWN PHUS]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Đặng Huyền Phường [DAWNGJ HUYEENF PHUOWNG], Colonel

His article about the work of the rear services appeared in the cited source. (NHAN DAN 26 Nov 86 p 2)

Nguyễn Đăng Quang [NGUYEENX DAWNG QUANG]

\*SRV First Secretary of the Vietnam Permanent Mission at the UN; on 18 Nov 86 he attended the Vietnam Cultural night in New York. (NHAN DAN 21 Nov 86 p 1)

Nguyễn Hữu Quang [NGUYEENX HUWUX QUANG]

\*Vice Minister of Forestry; his article about forest products appeared in the cited source. (NHAN DAN 3 Dec 86 p 3)

Nguyễn Văn Quý [NGUYEENX VAWN QUYS], deceased

Born on 10 Oct 35 at Nghiem Xuyen [Village], Thuong Tin [District], Ha Son Binh Province; Member of the CPV; former Cadre of Department 682, Ministry of Interior; he died following a protracted illness at the Vietnam-Soviet Friendship Hospital on 24 Nov 86. (HANOI MOI 25 Nov 86 p 4)

Trần Quỳnh [TRAANF QUYNHF]

Vice Chairman of the Council of Ministers; Chairman of the Vietnam Subcommittee of the Vietnam-USSR Committee for Economic, Scientific and Technical Cooperation; on 21 Dec 86 he was present at a meeting between a Soviet delegation and Pham Van Dong. (QUAN DOI NHAN DAN 22 Dec 86 p 1)

Trưởng Tấn Sang [TRUWOWNG TAANS SANG]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Hồng Sơn [HOONGF SOWN], \*Major General, Professor

His article "The Annihilation Concept in Vietnamese Military Art" appeared in the cited source. (QUAN DOI NHAN DAN 30 Nov 86 p 2)

Nguyễn Công Tạn [NGUYEENX COONG TANJ]

\*Deputy Secretary of the CPV Committee, Hanoi; on 17 Dec 86 he made a speech praising the people of El Salvador. (QUAN DOI NHAN DAN 18 Dec 86 p 4)

Lê Sinh Tạng [LEE SINH TAWNGJ]

Head of the Animal Husbandry Department, Ministry of Agriculture; his article about the achievements and goals of his department appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 12)

Nguyễn Thị Thanh [NGUYEENX THIJ THANH], aka Nông Thị Huân [NOONG THIJ HUAANR], deceased

Born on 25 Aug 25 at Na Nien Hamlet, Duc Long Village, Hoa An District, Cao Bang Province; former CPV Secretary, Bac Can, Bac Thai Province; she died at home on 25 Nov 86. (NHAN DAN 3 Dec 86 p 4)

Trần Văn Thúc [TRAANF VAWN THUCS]

\*Deputy Secretary of the CPV Committee, Haiphong; on 17 Dec 86 he greeted a Cambodian delegation in Haiphong. (QUAN DOI NHAN DAN 18 Dec 86 p 4)

Võ Viết Thanh [VOX VIEETS THANH]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Nguyễn Văn Thán [NGUYEENX VAWN THAAN], \*Colonel

He was quoted in an article on training. (QUAN DOI NHAN DAN 29 Dec 86 p 2)

Phạm Thiệu [PHAMJ THIEEUF], deceased

Born in 1904 in Dien Phuc Village, Dien Chau District, Nghe Tinh Province; former Ambassador to the CSSR and Hungary; he died on 1 Dec 86 following an illness. (NHAN DAN 3 Dec 86 p 4)

Trình Văn Thịnh [TRINHJ VAWN THINHJ]

Director of the Science Information Center, Ministry of Agriculture; his article about strengthening information work in agriculture appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 15)

Trần Thế Thông [TRAANF THEES THOONG], Professor

Head of the Southern Agricultural Science Institute, Ministry of Agriculture; his article about animal husbandry appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 11)

Nguyễn Lâm Toán [NGUYEENX LAAM TOANS]

Head of the Agricultural Economics Institute, Ministry of Agriculture; his article "Innovation in Management in Agriculture" appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 10)

Nguyễn Trác [NGUYEENX TRACS], deceased

Born in 1904 at Dien Hoa Village, Dien Ban District, Quang Nam-Da Nang Province, he participated in the Revolution since 1928 and became a Party Member in 1930; former Regional Deputy Secretary of the CPV, Central Vietnam; former CPV Secretary, Quang Nam Province; former CPV Secretary, Da Nang Municipality; former Vice Minister of Justice; former CPV Secretary of the Ministry of Justice; former Associate Justice of the Supreme People's Court; former Chairman of the Legislation Department of the CPV Central Committee; he died on 11 Aug 86 at the Vietnamese-Soviet Friendship Hospital at the age of 82. (NHAN DAN 13 Aug 86 p 4)

Phan Trầm [PHAM TRAAMF]

Head of the Capital Construction Department, Ministry of Communications and Transportation; on 8 Nov 86 he attended the inauguration of a railroad in Hanoi. (GIAO THONG VAN TAI 13 Nov 86 p 1)

Nguyễn Đình Tranh [NGUYEENX DINHF TRANH]

Vice Minister of Power; on 10 Nov 86 he attended the inauguration of the construction of a power relay station. (Ho Chi Minh City SAIGON GIAI PHONG 11 Nov 86 p 1)

Phạm Văn Tr<sup>^</sup>ên [PHAMJ VAWN TREEN], Colonel

\*Commander of the District Military Command, Cu Chi District; he was recently assigned to this position. (Ho Chi Minh City SAIGON GIAI PHONG 30 Oct 86 p 4)

Lê Văn Tr<sup>^</sup>iết [LEE VAWN TRIETS]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Lê Công Tr<sup>^</sup>ung [LEE COONG TRUNG]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Lê Văn Tr<sup>^</sup>ung [LEE VAWN TRUNG]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Phạm Ch<sup>^</sup>ánh Tr<sup>^</sup>ực [PHAMJ CHANHS TRUWCJ]

Member of the CPV Standing Committee, Ho Chi Minh City; \*Chairman of the Vietnam-Cuba Friendship Association; on 11 Nov 86 he attended the inauguration of the Ho Chi Minh City Vietnam-Cuba Friendship Association. (Ho Chi Minh City SAIGON GIAI PHONG 12 Nov 86 p 1)

Nguy<sup>^</sup>ễn Đ<sup>^</sup>inh T<sup>^</sup>ư [NGUYEENX DINHF TUWS]

Member of the CPV Central Committee, Minister of Higher and Vocational Education; on 23 Dec 86 he was present at a gathering on the anniversary of the founding of Agricultural College I, Hanoi. (QUAN DOI NHAN DAN 25 Dec 86 p 4)

Nguy<sup>^</sup>ễn Đ<sup>^</sup>ôn T<sup>^</sup>ư [NGUYEENX DOON TUWJ], \*Major General

\*Military attache at the embassy in the USSR; he attended an exhibit at a museum in Moscow. (QUAN DOI NHAN DAN 18 Dec 86 p 4)

Cao V<sup>^</sup>ăn [CAO VAWN]

Acting Chairman of the People's Committee, Haiphong; on 17 Dec 86 he greeted a Cambodian delegation in Haiphong. (QUAN DOI NHAN DAN 18 Dec 86 p 4)

Lê Thanh V<sup>^</sup>ăn [LEE THANH VAAN]

Member of the Standing Committee of the CPV Committee, Ho Chi Minh City; on 5 Nov 86 he was among 18 members elected to this position. (Ho Chi Minh City SAIGON GIAI PHONG 6 Nov 86 p 1)

Nguyễn Vinh [NGUYEENX VINHJ]

Head of the Marx-Lenin Institute; excerpts of his speech on historical studies appeared in the cited source. (HANOI MOI 26 Nov 86 p 2)

Nguyễn Vy [NGUYEENX VY]

\*Head of the Pedology and Agrochemistry Institute, Ministry of Agriculture; his article about the use of soil appeared in the cited source. (NONG NGHIEP 5 Dec 86 p 7)

Trần Lưu Vy [TRAANF LUWU VYJ]

Head of the Central Federation of Cooperatives; his report about policy innovation appeared in the cited source. (TIEU CONG NGHIEP THU CONG NGHIEP 2 Jan 87 p 1)

Đầu Ngọc Xuân [DAAUJ NGOCJ XUAAN]

\*Member of the CPV Central Committee; Vice Chairman of the State Planning Commission; on 21 Dec 86 he was present at a meeting with a Soviet delegation. (QUAN DOI NHAN DAN 22 Dec 86 p 1)

Lê Xưởng [LEE XUWOWNG], \*Colonel

\*Head of the Engineer Technical School, VPA; he was mentioned in passing in an article about his school. (QUAN DOI NHAN DAN 18 Nov 86 p 2)

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